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# **East Europe**

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# East Europe SUPPLEMENT

JPRS-EER-93-069-S

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19 July 1993

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**\* Tomov on Consequences of Low Foreign-Trade Turnover**

93BA1100A Sofia 168 CHASA in Bulgarian 4 May 93 p 9

[Article by Aleksandur Tomov: "Soon It Will Be Possible To Call Us a Tomato Republic"]

[Text] *There is a danger that Bulgaria will become a third-rate European country.*

Three years ago the concept of Eastern Europe was a unified whole. All of the countries from this geographical region cast off totalitarianism and took the difficult path of the transition to democracy. They had a common past, similar problems, and goals. Today, the formation of Eastern Europe which existed for several decades has begun to fall apart before our eyes.

The basic reason for this is not only the geopolitical ambitions of certain forces, but also the circumstance that the former socialist countries are adapting to the altered realities in very different ways. According to preliminary national statistical data in 1992 the inflation in Bulgaria was 79.5 percent, in Czechoslovakia, 11 percent; in Poland, 43 percent, and in Hungary, 23 percent. The unemployment in Bulgaria reached 15.1 percent, in Czechoslovakia, 5 percent; in Hungary, 12.3 percent, and in Poland, 11 percent.

Each of the former totalitarian states has been going through a certain cycle of transition to democracy, expressed in the dynamics of prices, a drop in production, and growth of unemployment. The dynamics of the numerical data show that, on the whole, Hungary, the Czech Republic, and Poland, have passed through the lowest point of the transition, while Bulgaria, Romania, and Albania still have not reached it.

**The Concept of Eastern Europe Is Retreating Into the Past**

Probably because of this, loud voices are being heard saying that Eastern Europe is not a unified whole, that the Eastern European countries can hardly enter the European Community at the same time. These words already are an expression not only of a desire, but also of a factual situation.

The degree of incorporation of Hungary, Poland, and the Czech Republic into the European markets is several times greater than that of the remaining Eastern European countries. The total volume of exports (mainly for Western Europe) of the Czech Republic and Slovakia, of Poland and Hungary is from 3.5 to 5 times greater [each] than that of Bulgaria. It is a characteristic trend that whereas the countries of the Visegrad group experienced a minimal drop in exports in 1992 as compared to 1989 (and in Poland and Hungary there was even an increase), in Bulgaria and Romania the decrease was more than twofold.

The situation with foreign investments, which are the natural bridge for effective import and export, is similar. According to the index of the total amount of the registered foreign investments in 1992 and the beginning of 1993, Bulgaria drastically lagged behind all former member countries of the Council for Mutual Economic Assistance (CEMA) including Romania. According to the data of the Association of Foreign Investors in our country (VIVA), the foreign capital which has been brought into Bulgaria up to now is 26 times less than that brought into Hungary and six times less than that brought into Romania. With respect to the number of joint ventures our country is literally at the tail end. At the end of 1991, Bulgaria had 800 joint ventures as compared with 4,000 in Czechoslovakia, 4,800 in Romania, 5,000 in Poland, 10,600 in Hungary, etc. According to the preliminary data which is at my disposal, Bulgaria's lag increased even more in 1992.

It is obvious that the real economic integration of the former socialist countries in Europe increasingly is dividing the former allies of the CEMA into separate groups. The Visegrad group (Poland, Hungary, and the Czech Republic) acts something like a sprinter who has broken away from the pack. Romania, Slovakia, Slovenia and some of the small Baltic states are making furious attempts to catch up. Preoccupied with the quarrels and the failures of its own policies, kept down by fear that some foreigner will steal something from us, Bulgaria is falling behind rapidly. If this tendency continues, Bulgaria not only will find itself in the second rank of the new European countries, but may even drop out of it to become a third-rate European country, something like a transitional ground between Europe and the pull of the Turkish economy.

It is precisely the intensification of the degree of the real economic integration which increasingly drives the politicians and experts to divide the former Eastern Europe at least into three parts—Central European states, the Baltic states, and the troubled Balkans.

**Why Is Bulgaria Lagging Behind?**

Foreign, and primarily European, investors are the driving force for incorporating our country into the European Community and for overcoming the technological and productivity lag. They are also a stabilizing force for saving many national industries, for successful development of the reforms and solving the social problems of the people.

Unfortunately, in 1992, according to the evaluation of the largest banks in the world, the confidence of credit in Bulgaria dropped appreciably. The country is among the 12 countries which in 1992 registered a decrease as compared with the general increase in the credit confidence in the world. With an average world credit rating of 36.8 the analysts of the leading 100 world banks evaluated their confidence in Bulgaria at 18.9. Bulgaria now finds itself in 91st place of 127 countries ranked with respect to the level of credit confidence. Of the

former socialist countries, only Albania and certain republics of the former USSR are behind us.

To what is this due? Insofar as the credit confidence of the banks is an integrated indicator of confidence in an economy, it is possible to answer "to everything"—to the level of the overall politics and the political stability in the country; to the protraction of the problems with our foreign debt, to the absence of basic economic zones, including those for taxes, for bankruptcies, and for stock markets; to the bureaucratization of the mechanisms for foreign investments; to the constant changing of directors and the pretensions of local trade union and party amateurs for power and commissions; to the expansion of corruption in the country. The fact that at least up to now there does not seem to be a political way out of the situation which has been created because of the mutual blockage of the two basic political parties and the growing lack of confidence in all basic institutions in all basic institutions, is not to be underestimated.

### The Consequences

If these tendencies are maintained, the consequences for Bulgaria may prove to be regrettable.

Geopolitically, Bulgaria will become estranged from the Eastern European countries, and its complete acceptance into the Common Market will be delayed at least five to seven years as compared to countries like Hungary, Poland, and the Czech Republic. This time difference, given the complex geopolitical transformations in the continent and world may have drastic economic and political consequences—the country will be "diverted" away from Europe, to be attached to other geopolitical gravitational fields on an economic basis. One prognosis of the "21st Century" Foundation shows that a large number of experts (including Nobel laureates) think that the problems of Bulgaria will be solved not in the context of East-West contradictions but in North-South contradictions.

Economically, the country's separation from the flows of foreign investments may intensify the economic and market backwardness of the majority of Bulgarian enterprises. If this happens, they will not withstand the competition of the Western European, Turkish, and Asiatic companies. This will give rise to a great number of new bankruptcies and may convert Bulgaria into a country of petty tourist and agrarian businesses.

Technologically, the dramatic consequences are being felt already today. While the leading European countries are entering the concluding cycle of the technological revolution which has lasted more than 20 years, Bulgaria is undergoing a technological disintegration. Instead of getting rid of morally and physically exhausted industries, we are destroying key plants in electronics and

modern machine construction. There is no other Eastern European country which has left its best industries to the mercy of fate, the managements of which factories have no care for technological progress, and the specialists of which are leaving the country en masse, or are selling tomatoes and bananas in the markets of Sofia and Plovdiv.

On a more general cultural plane, the backwardness in the economy and the lack of money will lead to cultural disintegration and gradual impoverishment of our material identity.

Thus, our place on the map of Europe will fade and our Latin Americanization will be distinguished [from other countries'] only because they will not call us a banana but a tomato republic.

### Is There a Way Out?

I am convinced that a completely different economic policy, and a different social and political climate are necessary in order for the negative tendencies in the economy to change, and, unfortunately, this will mean another type of political structure. Thus, there is a way out, but a lot of will power and consistency are necessary for it.

A stable and confident country attracts money. We are doing everything to scare it away. Confidence in Bulgaria is low, because everyone in Bulgaria is quarreling: the politicians who cannot share the present and therefore are occupied primarily with the past, the businessmen who do not understand that they will gain more if they do not fight each other, and the unions who fight constantly for superiority. As a result there is general quarreling, general distrust, and that which makes us unique—in Bulgaria private property is considered to be morally illegitimate and suspicious; it is either dirty red or a consequence of new corruption and graft "of the new democrats."

The first thing that is necessary is for us to change the social and political atmosphere in the country. The second thing is for us to strengthen the authority of the Bulgarian government in all of its institutions and guiding leaders. The third thing is for us to adopt 20-25 new economic laws which will clarify and stabilize the conditions for investments, to guarantee more tax revenues, and, in general, to stabilize the tax system. The fourth thing is for us to change to more liberal, more stable conditions, both for foreign and for Bulgarian investments.

Many things are still needed. They are needed right away because the cards are being dealt now. Whoever misses the first train to Europe definitely will fall into a third class car. And, according to the well-known principle, if you do not know where you are heading for, you will surely get where you do not need to be.

**\* Plans for Administrative Arrangement Revealed**  
*93CH0716A Prague RESPEKT in Czech 6 Jun 93 p 6*

[Article by Jaroslav Spurny and Robert Casensky: "How Many Lands in the Czech Republic? So Far, Neither Politicians nor Regions Are in Agreement"]

[Text] The Hodonin entrepreneur Jiri Maly did not know at the beginning of the year what his taxes were for the past year. The okres office in Hodonin could not answer his question. He tried to obtain information by telephone from the ministry in Prague, but his call was in vain. The only thing left for him to do was get in his car and make a trip to the ministry in Prague, 300 kilometers away. He lost two days and wasted gasoline. Citizens have more than their share of similar, and frequently even more complicated, problems when dealing with the authorities.

The present territorial administrative arrangement of the Czech Republic is not working. Following the abolition of krajs, it is merely a poorly functioning remnant of the communist reorganization of 1960. Reporting to the central authorities in Prague are 76 okreses, and there is no rung in between.

Meanwhile, certain agencies of the state administration (for instance, the police, the courts, the public health stations) continue to function on the basis of the old krajs. The ministries of agriculture, economy, and environment have established regional offices that cover the territory of several okreses. For instance, labor and health offices exist only on the okres level. For an ordinary mortal, that is a totally confusing situation, and it is little wonder that people often feel the old system worked better than the present one.

Political parties differ greatly in their views of a future arrangement of the Republic. The HSDMS [Movement for Self-Governing Democracy-Moravia and Silesia] favors a land arrangement with two lands in Moravia at most; ODA [Civic Democratic Alliance] emphasizes the powers of each land rather than their number; the ODS [Civic Democratic Party] inclines toward establishing eight to nine krajs; according to the Social Democrats, disputes should be resolved by a referendum, and so on. And so for now there is only one certainty: the Czech Republic Constitution, which says that self-governing territorial units will be divided into three levels—communities, krajs or lands, and the state.

Thus, there is no clarity on the future number or krajs or lands; no one knows who will exercise decisive power on those territories, elected self-government bodies or government officials appointed by the respective ministry and supervised by local boards of representatives, and it is not even known what powers they will have. Meanwhile, the local elections, in which land representatives should also be elected, are not slated to take place for a year and a half. Before that, it will be necessary to decide not only on the territorial arrangement of the Czech Republic but also primarily on changing a number of

laws pertaining to communities and okreses and determining the legal powers and obligations of the future krajs. Probably the most important will be budget and tax laws, but decision on them can be made only after the parliament has approved the territorial administrative arrangement.

So far, the only concrete proposal has been put forward by the Section for the Territorial Administrative Arrangement appointed by the Office of the Government. It proceeded from a so-called importance evaluation of large towns in the Czech Republic (regional importance), which considers the number of people tied to the town by their jobs, the structure of transportation facilities, the reach of services, the telephone net, and so on. The section has identified the 22 most important Czech towns, of which some are to become the future land capitals.

The section's experts have proposed three basic alternatives of the future number of lands: 8, 12, 14. The first alternative approximately follows the kraj borders of the 1960-90 period and is expanded to include Olomouc as a land. In its report to the parliament, the section claims that that conclusion is justified by the large area of the former Moravian krajs as compared with the Bohemian krajs and by the importance of Olomouc for the population of central Moravia.

The second alternative, with 12 krajs or lands, is supposedly the best solution. According to the section's experts, it corresponds to how citizens are tied to the large towns. It respects the historical autonomy of Pardubice and Hradec Kralove and a certain isolation of the Liberec region, from Usti and Labem.

Still another alternative is expanded by including the Jihlava and Opava krajs. In the case of Jihlava, it is because of location because, in the preceding alternatives, its environs remain the largest area in the Czech Republic without a regional center. The Jihlava land would be composed of both Bohemian and Moravian okreses. As for Opava, it always has been a center of Czech Silesia.

An elected board of representatives is to see to the interests of each land's population. Its powers, too, have yet to be decided upon. In a democracy, there are two possibilities. According to the first, the land office will set up and run the board of representatives, which will elect its chairman; the second alternative foresees the board set up and run by the CR Government and the chairman appointed by the minister in charge. Both alternatives reckon with the establishment of okres offices. According to the Section's chairman, Jiri Plos, the first variant will embody democracy from below, the second a relatively rigid centralism. A more empowered self-government gives the public a greater opportunity to participate in the land's affairs and is subject to its direct control. Also, an elected self-government should have better insight into the needs of the land. According to experts from the section, state administration falls short:

Nothing compels a government official subordinate to a ministry to take the voters' views into account.

The distribution of some smaller okreses into lands should not be a serious problem. Certain disputes are expected in the Bohemian okres of Jindrichuv Hradec, which includes Moravian Dacicko, and in Svitavy, with Bohemian Litomysl and environs.

On the other hand, it is virtually excluded that, in a future arrangement, Pardubice would subordinate itself to Hradec Kralove. The Pardubice deputy mayor, Roman Linek (KDU-CSL) [Christian and Democratic Union-Czechoslovak People's Party], is unequivocally in favor of establishing a Pardubice region. "That should be based on the historical krajs of Caslav, Pardubice, and Chrudim. There was a recent meeting of representatives of all of the communities that would be part of the region. The vast majority of mayors agreed with that variant."

The Hradec Kralove deputy mayor, Jaroslav Hovorka (ODS) [Civic Democratic Party], claims that eastern Bohemia could form a single unit but "it will not pass." He says, "My view is to split it."

The Jihlava kraj was abolished in 1960. Today the mayors of Jihlava, Telc, Humpolec, and eight other towns and communities agreed on the establishment of a region with the center in Jihlava. "Of course, we would accept any decision made by the parliament," says the chief of the okres office in Jihlava Petr Mensik, "but I believe that a Bohemian-Moravian Highlands region would be the most acceptable to our citizens from the historical point of view. If we were to have a referendum here on whether Jihlava should come under Brno or be attached to some Bohemian region, the second possibility would win."

Brno, too, has its own ideas about the future arrangement of the Czech Republic. Explains Ludvik Dolezal, deputy mayor of Brno: "There is always talk of a Europe of regions that our Republic also would like to join." But, "European regions are incomparably larger than our former krajs. It is Moravia that is a natural region. To me, it is a personal insult when the Czech prime minister signs an agreement with, for instance, Bavaria. He should be signing agreements in Bonn, and regions should deal with regions."

The material prepared by the section are today on the agenda of a government commission headed by Jan Kalvoda. After a review, the commission will present them to other departments for comments.

(The article draws on materials of the Research Institute for Construction and Architecture).

### \* Tosovsky Looks at Recent Banking Decisions

93CH0717A Prague *RESPEKT* in Czech 6 Jun 93 p 15

[Interview with Josef Tosovsky, governor of the Czech National Bank, by Jan Machacek; place and date not given: "So Far, None of the Catastrophic Scenarios Have Come to Pass"]

[Text] [Machacek] According to Prime Minister Klaus, we have the most difficult part of the economic reforms already behind us. Do you agree with that assertion?

[Tosovsky] The first phase of the reform was difficult because basic changes in the economic system were taking place, as were social and political breakthroughs. The prime minister thus obviously is evaluating it from the political viewpoint. Now, however, we are dealing with an exceptionally complicated period, as far as economic reform is concerned, when it will be necessary to restructure large industries. That will bring a higher level of unemployment and can also result in social tensions.

### The Citizens Are Conservative

[Machacek] Will your currency policy react somehow to the initial sharp fluctuations in the share price rates on the capital market? Generally, there is a large overrun expected in the shares offered from the voucher privatization.

[Tosovsky] We actually predict greater supply than demand. I, of course, do not exclude the possibility of a surprise because that has turned out to be the case at least twice. The populace and the enterprises often show that they are able to behave in a mature and wise manner. For example, in the separation of the currencies, the majority of the population deposited the money in passbook savings accounts. The citizens are simply conservative, they have faith in the currency, and most of them are thrifty. It turned out the same way in the introduction of the new tax system, where the fears that taxes would not be paid and that there would then be an enormous deficit in the budget were unfounded. The citizens and the enterprises showed that they are disciplined taxpayers. So far, none of the predicted catastrophes have panned out. It is possible that the shareholders are waiting to see what the real value of their negotiable papers is, and they will not sell them right off the next day.

[Machacek] What do you have to say about the situation where the government is reacting to complaints about the high 25-percent tax on dividends as compared with taxes on interest (15 percent)—that is, to the danger that there will be a flow of money from the capital market into bank accounts, by raising the tax on interest from certificates of deposit also to 25 percent and considering the same step in the case of interest from passbook savings as well? For what does the government need so much money?

[Tosovsky] I can say that I do not like that revision in the law. We actually have two levels of interest—for normal passbook savings and certificates, and then another for the debentures in the capital market. We have called for a unified rate, understandably by bring the one down, but we have not been heeded.

#### Too Easy a Fight With Inflation?

[Machacek] This year, inflation is reckoned to be 16 percent. Are you satisfied with what is sometimes called the "Klaus anti-inflationary policy"—that is, continually putting off the liberalization of some prices (for example, rents)? Is that kind of fight against inflation not actually too easy? A similar example is the public competition for Telecom. The government supports the project, which does not figure on raising the rates for telephone calls, despite the fact that the entire branch is terribly undercapitalized.

[Tosovsky] That is a complicated question. We are trying to keep inflation below 20 percent this year. The price hikes in connection with the tax system were higher than that, so I must admit that we would not be happy to see too many other changes and price increases this year, which we could not influence through the currency. It is for that reason and not just for social reasons that it is possible to understand the attempt to portion out the liberalization of prices.

[Machacek] Does the postponement of the liberalization of some prices suit you then?

[Tosovsky] We have lived through one enormous inflationary jump after the liberalization of prices, and now we have had another after the introduction of the tax system. In the meantime, we have been able to keep inflation reined in. There is no theoretical answer to the question of how to deal with those "leaps" as far as the interest rate is concerned, which, in the course of such price hikes, goes negative. (Editor's note: the interest rate is lower than the inflation rate, and the creditor is thus actually subsidizing the debtor.) If the prices were somehow freed up more rapidly, it would theoretically mean additional pressure for us. We do not know what that would mean for the currency exchange rate and other related matters. The question is to what degree we can accept a hike in prices in the currency policy and put more money into it. Some lesser "leaps" will thus still be coming along. As you have noted, there is telecommunications, rents, transportation...

#### The Slovak Debt and the Taxpayers

[Machacek] It does not appear that the 24.7 billion [currency not specified] your Slovak colleagues owe you will ever be forthcoming. What would happen if you just normally wrote it off as expenses? And what would the consequences of that be for the taxpayers?

[Tosovsky] No one is now calling that amount into doubt. At the current time, everything thus depends on the willingness and capabilities of Slovakia to pay it off.

For now, the current government is not demonstrating any willingness to do so. As far as the possibilities for resolving that are concerned, we have proposed, for example, spreading out the repayment over 10 years, but, to date, the Slovak Government has not commented on that.

In the case of writing off the debt, we can only do that gradually because it is such a large sum we cannot do it all at once. Just as a matter of interest, the central bank's profits last year were approximately 2.5 billion [currency not specified]. After covering all of our expenses, we transfer the rest into the budget. That would mean writing off the entire profit for 10 years, and then only if it remained at the same figure. We would thus deprive the state budget of income, and it is hard to do that.

[Machacek] The foreign trade balance for the Czech Republic has been negative for a long time now. We are thus importing more than we are exporting. Do you consider that to be a short-term fluctuation or a long-term trend?

[Tosovsky] As far as it concerns the results of the trade balance in convertible currencies, we finished the first quarter of 1993 with a deficit. It involves only a small deficit, however, not quite \$100 million. That is covered by other income so that, from the hard-currency standpoint, we are not disturbed by that development. As soon as the restructuring of the enterprises starts to take place, industry, in my opinion, will be making a greater contribution to export performance, but that will, of course, take some time. We are not afraid of short-term fluctuations, but for now we do not know how to estimate whether it is a matter of a long-term phenomenon or a short-term one. In any case, it is necessary to carry out a proexport program, as was recently discussed at the Council of Ministers.

[Machacek] The balance of payments as a whole is developing favorably. Some experts say, however, that next year we will not be able to avoid a devaluation of the koruna. Privatization is dragging out, the enterprises are beginning to restructure production, and they will be laying people off starting in the fall. Wages are increasing, but productivity is dropping.

[Tosovsky] The time horizon to which we can see, given the tempo of economic sea changes that are taking place here, is terribly short. We still do not have any clear forecasts for next year, other than the basic idea, which is understandably to maintain the stability of the currency. It is therefore pointless to speculate on whether we will have a devaluation next year. Anyone who thinks he knows how to make such predictions is only fooling himself. As far as restructuring is concerned, it will certainly take a long time. The head of the U.S. Federal Reserve System, Alan Greenspan, was in Prague on a visit 14 days ago. He stated, "Before the war, you were among the most industrialized countries and those that had the most advanced economies, but you still have now what you had then, while, in the United States, for

example, there have been several cycles of restructuring that have taken place since that time. Part of the industry is always left to lie fallow, and, alongside it, something new comes up. After a while, that branch, too, begins to die off, and again something new comes into being. I am not sure whether that U.S. method is also typical for Europe, but it is obvious that the changes in the economy's structure must be profound ones, and, therefore, the time horizon to which we can see is also terribly short."

[Machacek] If you are afraid of growth in wages, what is it that causes you the most worry? Is it the danger of inflation or the loss of competitiveness of our industry and, thus, the danger of a constantly greater deficit in the trade balance?

[Tosovsky] It disturbs us that such extraordinary growth in wages could show up as increased demand. At the same time, our economy would still not be capable of reacting to that, and that could lead to both an increase in prices and increased imports of consumer goods. That is, there is the threat of an increase in prices and also a decline in the balance of trade.

We also are equally afraid of the growth in costs to enterprises, which could show up as pressure on the hard-currency exchange rate. The wage developments should correspond to the developments in the productivity of labor.

#### Excessive Caution by the Banks

[Machacek] Recently, you declared that the so-called credit crunch is causing you worries. In other words, you are afraid that the banks will be continuously more reluctant to provide credit. Can you explain that in more detail?

[Tosovsky] In the preprivatization agony, the enterprises put off the development of strategies normally connected with investments, which require money. We can thus soon get into a situation where it will be necessary to somehow support those developmental activities with credit. At the same time, however, there will be bankruptcies occurring. That could destroy the capital basis of the banks, and they could begin to behave even more cautiously just at the time when there will be a need for money for investments. There is nothing left for us to do but discuss that with the large banks and search for a solution.

The majority of the banks have undergone an independent audit by Western consulting firms. The results of

those checkups are encouraging the banks rather toward caution, so that, even though we were to somehow support an expansion of credit with the amount of money in the economy, the banks could simply be more cautious without our directing them to be.

[Machacek] On the other hand, the banks are not all that careful because they are still constantly providing the large enterprises with credit for wages, and often it is given to those that are really facing bankruptcy.

[Tosovsky] The central bank cannot influence where the money actually goes. That is not done anywhere in the world. It only controls the overall amount of money in the economy. Under our conditions, where not all of the economic entities yet have experience in market behavior, one cannot exclude the possibility that an increased amount of money in the economy will show up some place other than where we would want—for example, in the growth of wages.

[Machacek] You mentioned the visit of your U.S. counterpart, Alan Greenspan, who is de facto the number-one person in the U.S. economy. The newspapers put off that important visit with a brief item on page three. What was going on?

[Tosovsky] If Mr. Greenspan had come to Frankfurt or London, it would have been the lead item in all of the newspapers. Mr. Greenspan accepted my personal invitation. I must emphasize that he does not just make routine trips, so we can take that as a sign of his professional interest in what is going on here. The most interesting and main message he passed on to us is that, according to him, the statistical indicator of a 20-percent decline in the GNP [gross national product] for 1991 and 1992 is simply nonsense. We would already have had totally different indicators of unemployment, for example, and others. While the statistics of the centrally planned economy recorded the movement of every ladder from one place to another, our current statistics are not at all capable of grasping the economic activity, including its quality, as compared with the past. I do not want to speak now as one defending the government's policy on blind faith, where they often say that the reality is better than the statistics. I only say that it was his main statement, and I am making no comment on it. It means that the quantity of money in the economy is also somewhat different from what the forecasts would indicate. We thus spoke mainly about what other factors and indicators of economic development we should find so that we can support our statistical basis. We also understandably spoke of protectionism and of the need to distinguish between rhetoric and facts.



**\* Solidarity Chairman Discusses Union Election Role**

93EP0291A Warsaw TYGODNIK SOLIDARNOSC in Polish No 24, 11 Jun 93 pp 1, 7

[Interview with Marian Krzaklewski, chairman of NSZZ "Solidarity," by Tomasz Sypniewski on 3 June; place not given: "We Will Not Allow Ourselves To Be Duped"]

[Text] [Sypniewski] We are conducting this interview on 3 June, the day that Minister Rokita stated, during a three-way exchange on the radio, that the trade union would not call a general strike, despite the desire to do so.

[Krzaklewski] Consciously or unconsciously, Mr. Rokita is provoking the trade union masses, which have already been undermined. Let me remind you that, before the balloting on the no-confidence vote against the government, Mr. Rokita also stated that it had no chance in the Sejm.... For several months now, this government has been out of touch in assessing the situation in the country. The Sejm rejected his explanations concerning the budgetary sphere. Most of the Sejm was also for the vote of no confidence. Mr. Rokita's arrogance therefore contradicts democracy's assessments of that government....

[Sypniewski] But, since the dissolution of the Sejm, there is no other political party for Solidarity to negotiate with, and, from what I have heard from members of the Solidarity National Commission (KK), relations with the government have been frozen.

[Krzaklewski] Once the president dissolved the Sejm, he assumed responsibility for this government, becoming a "super prime minister." We have an appointment with the president and are taking to Warsaw a bundle of issues that have to be taken care of to insure social harmony until the elections are held. Our proposals for handling the problems, such as the budget matter, do not require any fundamental budget changes, which would be impossible, given the current situation. We see the possibility of handling these matters without any need to change the legal order, and the way the president treats our proposals will be a political indication telling us whether the president wants a real dialogue with Solidarity or shares Mr. Rokita's view that Solidarity can be ignored.

The president told me that the reason he dissolved parliament was that, after meeting with the Assembly of Seniors, he realized that the Sejm would reject any choice of prime minister he might make and that there was no sense dragging out the political stalemate.

Now it is up to the president whether there will be a stalemate in relations with Solidarity because the issues we raised are the minimum that has to be taken care of to prevent the election campaign's being held in a strike atmosphere. People are at the limits of their endurance, and, if there is a strike, we will call a strike not to get at

Mr. Rokita but because people from the regions and branches are demanding that we do so.

[Sypniewski] Besides the old accusations that Solidarity is struggling for power, there is one more: that Solidarity is waging an election campaign in the streets, in one of the country's difficult moments, and that it is causing destabilization at a time when the political situation is already tense.

[Krzaklewski] It is really extraordinary that the government, which is responsible for the atmosphere in the country, is trying to convince society that it is Solidarity that is responsible. For example, in Gdansk and several other regions, the "budget adjustments" due in April still have not been paid, and the people are furious. The whole realm of social tensions was provoked by the government, which has not kept its promises, has still not carried out the agreements it signed, and, during important talks, has stalled.... It is really immoral for the government to break its agreements and then ask trade union people to adhere to them, while hiding behind the law whenever people demand their rights. Solidarity, on the other hand, is observing the law. It is legally preparing protest actions, it legally conducted the vote of no confidence, and it still wants to act legally to defend working and social rights, including the legal assurance that agreements that have already been signed are carried out. For Solidarity, one of the most important of those is the agreement that, as gross national income increases, there will be no decline in the standard of living in relation to the previous year and that real wages in the production sphere will increase.

[Sypniewski] You once told me that it is important for you that strikes simply become unnecessary, that collective agreements and other regulations concerning employer-employee relations be negotiated by way of agreement, reducing Solidarity's role to seeing that the law is adhered to rather than creating law at the strike barricades. Who is supposed to develop such a situation?

[Krzaklewski] I think that at our congress Solidarity will decide on candidates to run for the Sejm. One more time... The situation forces us to do that, although there are also people who say we are running the risk of defeat. That's too bad. I think we have to take the risk. Mr. Tusk's proposals to restrict trade union rights and to legalize lockouts, which are often used even though they are illegal, prove that the ruling elite has within it an irresponsible group of politicians who do not understand that, when society consented to the Solidarity revolution, it was not consenting to neoliberal or absolutely totalitarian ideas. We have to watch the Sejm to see that democratic Poland does not reach the point where the rights of the very group of citizens who fought for this democracy are called into question.

[Sypniewski] After being elected to parliament, your deputies could prove to be neoliberals, "Unia" people [members of the Democratic Union (UD)]...

[Krzaklewski] We are going to make the issue clear this time, now that we have learned from the experience of the previous term. The Club, Solidarity deputies, are carrying out the trade union's policy in the Sejm and are subject to the National Commission. So there will not be any doubt, we will establish how we are going to pin them down before the elections.

We will not allow ourselves to be taken in again by rhetorical programs or names. Solidarity's role is to look after the interests of workers, and it will be from that angle that we will evaluate groups: What relationship do they have to the trade union and to its role during the period of transition? Do they understand that the transformation of the regime does not permit anyone to forget that human beings are the subject of the changes, not the object of them?

We probably will not change the negative stance toward former communists or extreme liberals.

[Sypniewski] There is no denying that UD has been governing for four years and that its policies are making the public angry.

[Krzaklewski] The final divisions have not been made in the coalition parties yet, but the Hall faction's departure from UD did not explain much. In terms of ideology and platform, those parties, including the ZChN [Christian-National Union] and the KP [Polish Convention], have little in common. Regardless of whether further divisions occur, as the authors of the vote of no confidence, we certainly will not support that coalition in the elections.

We are not about to enter any coalitions, either. Individual voices are speaking up, saying we should not run candidates, but it is symptomatic that those regions that did not put up candidates in previous elections now want to have their own people in parliament.

[Sypniewski] From your statement, we can gather that Solidarity "does not *want to* but *has to*" get into the Sejm because the ruling political class wants to exclude Solidarity from the play for Poland. Why does Solidarity bother them? In what way?

[Krzaklewski] Some politicians do not see Solidarity's successful negotiations as a success for both sides. They think the negotiations strengthen Solidarity, and that notion disturbs them because they have no influence over Solidarity, and they would like Solidarity to help them reach their goals. So, then, the first reason is that they recognize Solidarity as a competitor in the struggle for influence and power.

The second reason is that they are reluctant to put in order the legal regulations that, if they are intelligible and Solidarity looks after them, could restrict the possibilities for political classes to abuse their power, to take advantage of legal loopholes, and to squeeze out profits resulting from the existence of gray areas, for example...

[Sypniewski] ...to gain unjustified material benefits?

[Krzaklewski] All right! Yes, it is that there are groups of politicians who cannot let Solidarity interfere with their snatching up the goodies fast. They see Solidarity as an institution of social supervision. There is still a third reason that some politicians think Solidarity should be weak. They want to keep Solidarity from having any real influence on the distribution of social resources, for example, for an active battle against unemployment...because then they can make a political game of distributing those resources. The resources often go not where they are most needed but where an influential politician wants to see them allocated at a given moment in a given political situation. Those issues—social benefits, the fight against unemployment, the distribution of resources across regions—absolutely must be depoliticized! The best example of that is the SOS fund. The idea of it was a concrete issue, but it wound up as building up the authority of one person and party that person represented. The SOS was to have been a social movement, but it wound up as "My soup."

That is why we have to run candidates in the elections. We have to choose the Solidarity option and not support parties because, otherwise, trade union rights will be restricted or the trade union will be eliminated altogether from the reform process, from its functions as overseer of the changes. But I think the Solidarity Congress will decide that that is one of its major themes: the practical point of whether or not Solidarity is to be.

[Sypniewski] Solidarity can oversee and influence the leadership's social policy from outside parliament, too.

[Krzaklewski] Yes, it can, but only in a situation that is organizationally established by law. That is why the Solidarity deputies must work to pass a package of legislation that will ultimately settle those matters. Otherwise, with or without Solidarity, the country will be flooded by a wave of strikes, protests, and ultimately disturbances. For the good of the reforms but mainly for the good of society, we cannot allow that to happen.

[Sypniewski] It would be awkward for Solidarity to announce that it knows what society really wants....

[Krzaklewski] We have proposed, and still do, a referendum on the enfranchisement issue. We are also going to speak to the president about it. It is just that there does not seem to be any legal possibility of holding a referendum now that the Sejm and the Senate have been dissolved. We have to wait for the elections, but even today we want to know how the chief of state feels about that subject and tell the people.

We think that the reforms and the reformers must be held up to the scrutiny of society.

[Sypniewski] Why do you suppose that Solidarity cannot accept the cooperation of postcommunists, since they have a social mandate?

[Krzaklewski] The postcommunists are interested in stabilizing structures, in a system they manage and

control. To enter into an agreement with them means that a given party no longer wants changes. That stability was the stability of a system that had not been accepted, a stability working on behalf of party interests. We cannot support that. It would be an irony of fate if it turned out that the great declarations, making society poor, and unemployment proved to be the price the Poles had paid, so that the postcommunists could strengthen their influence in the new system. Such a turn of events would betray the ideals of August 1980 and 1988 and June 1989, and Solidarity cannot permit that.

[Sypniewski] But if, in the elections, society comes out in favor of just such a picture of reform?

[Krzaklewski] I do not believe that the slogan "Commune come back!" was the motivation for how most

people voted in the elections. After all, what was that supposed to mean? The "commune" is already where the power and the money are, in the banks, the companies, and the self-government bodies, and, for the "commune," things are better than ever before.... People see that. For the liberals and UD to frighten people with the "commune" is a cheap propaganda trick, in a situation where some of their leaders for some time now have not been hiding the possibility of cooperation with the SLD [Democratic Left Alliance] in terms of platform and a coalition.

But then the campaign for the elections has already begun.

**\* Slovak Political Developments, Meciar's Methods Viewed**

93CH0705A Bratislava KULTURNY ZIVOT in Slovak  
6-12, 13-19, 20-26 May 2, 3-9 Jun 93

[Article in five installments by Vladimir Ondrus, former deputy prime minister of Slovakia: "Slovakia, at My Command...!"]

[No 19, 6-12 May pp 1, 7]

[Text] *The tide of events since the end of 1989 has been dynamic even in Slovakia. At the beginning, Public Against Violence (VPN) was first acclaimed, later condemned and spat upon. The crisis, today already part of history, of the then-governing movement had its historic consequences. "Those events that took place in the spring of 1991 can be termed historic in our world of 5 million. During the days of the political crisis, which culminated in the split of the VPN movement, the new Movement for a Democratic Slovakia [HZDS] was born. It quickly gained in strength and, with its victory in the 1992 elections, brought about the breakup of Czecho-Slovakia and its division into two states. Slovakia set its course in a direction different from the trend since November 1989, if not in the opposite direction, then definitely toward some twists and turns on the road to democracy and prosperity." This series of articles by political scientist Vladimir Ondrus (at that time a member of the VPN Coordinating Center [KC VPN] and deputy prime minister in the Slovak Republic [SR] Government) speaks in detail about that dramatic period with analytical objectivity, states facts, and provides firsthand testimony of a man who was directly involved. We are publishing here its first part, in an effort to gradually objectivize the problems.*

In the early spring of 1991, the prime minister of the Slovak Government pointed out to confused citizens the cause of their fears and disappointments. He unmercifully exposed those who brought on all of that misery; he did not remain silent and did not spare the powerful behind the scenes. Those in the KC VPN are the ones who are preventing him from working for the good of Slovakia, from sacrificing himself for the sake of the people, from guarding people against poverty and enemies. They are the ones who are tying his hands, censoring his speeches; they do not allow him to do his work and are creating a power center without responsibility. Members of the KC VPN are usurping the right to control his actions and asking him to account for what he does. But his responsibility is only to the nation and not to party leadership. With anger and bitterness, he unequivocally named the culprit in chief: It is he, that traitor, that renegade weaving the threads of power, it is he, that devil Gal!

And the chairman of the VPN movement, one of the men of November, who a little more than a year ago, at Christmastime 1989, was receiving bushels of letters and greetings from supporters, to whom mothers wrote that they named their newborn after him, to whom women admirers professed their love and, in Mozart House,

gray-haired grandmothers offered cakes they baked with their own hands, that very same Fedor Gal became practically overnight public enemy number-one.

And the prime minister continued with his accusations. Unrelentingly, thoroughly, he went on. The chairman of the VPN Slovak Council and other functionaries do not represent the majority opinion in the movement. They illegally arrogated the authority to make decisions. He and his followers have diverged from the movement's program and are driving Slovakia toward ruin!

And the democratically elected chairman of the movement, rejecting a coup within the party, citing his rights, statutes, laws, and the Constitution, became an outcast hunted by a mob bent on a pogrom. The prime minister's followers were taking over the movement's secretariats in the countryside and mounting assaults on the okres coordinating centers. A wave of verbal as well as physical violence rolled through Slovakia, inconsistent with the velvet revolution and exceeding in its extent and brutality even the Bratislava rampage of the nationalists during the adoption of the language law. Unknown democrats from communities and towns, forgotten but not unknown in their immediate environment, remained in their functions and preserved the agencies and the structure of the movement, in spite of attacks, intimidation, and death threats against not only them but especially their children, whom "they will douse with gasoline and set alight." At no time before or after have the members of the KC VPN received so many hate-filled letters, listened to so many threatening telephone calls, and, I believe, also for the first time, began to fear for their families.

And the prime minister, who did not succeed in gaining control of the movement, went to "war" with the deputy prime ministers. They are working against him on the order of the KC VPN, putting obstacles in his path, and making it impossible for the government to do its work. Not I, they must step down! And, when the Presidium of the Slovak National Council [SNR], a legitimate parliamentary body, decides to recall the prime minister, a storm breaks out in Slovakia. Calls for a strike are heard, and the prime minister threatens a general strike; after all, the trade unions are on his side. The newspapers publish angry petitions and instructions for extraparliamentary actions. Demonstrators attack the headquarters of the SNR, smash windows in the building, and try to get into the assembly hall. The minister of the interior calls out police units for protection. Deputies of the governing coalition, spat on by the demented mob, escape from the meeting through the back door. Parliamentary democracy is shaken to its foundations.

### Unity in Spring

During those spring weeks, a unique and spontaneous coming together of citizens from various political camps, different age groups, villagers and townspeople, educated and unskilled workers takes place in Slovakia. They trust the prime minister; the majority of people

stand behind him. They see in him their own politician, they feel affection for him, they show devotion to him. The citizens' support is inflamed by the media: The views of the media have not been as uniform since the days of the totalitarian regime. Almost all periodicals, but also public radio and television, support the prime minister—from the openly racist NOVY SLOVAK to the postcommunist PRAVDA, from the trade union daily to Bratislava's VECERNIK, from all-Slovakia newspapers to the regional press; only as an exception do some maintain sober judgment. Even the editorial office of the VPN daily wavers, and its editors split into two camps. The news division of Slovak Radio enthusiastically offers its services to the prime minister. The reporters of the Radio Journal excitedly and ardently ask the popular prime minister leading questions. The radio-broadcasts serve to rally citizens to the defense of the prime minister. Inch-high headlines in the newspapers obscure the root of the conflict, hysteria fills the columns and even entire pages of the periodicals.

A similar coming together is also occurring among the political entities. The entire opposition supports the then coalition prime minister. From the reds to the greens, communists and anticommunists, extreme nationalists and moderate patriots, the left, the center, the liberals. The goals, the slogans, the rhetoric become uniform. Even P. Weiss, the urbane chairman of the Party of the Democratic Left [SDL], performing like the Valentino of the Slovak political scene, takes on the vocabulary of the Jew-baiters from the liberation movements and declares that Prague and Budapest are again making decisions in Slovakia. The representatives of the Slovak National Party [SNS] again sense their opportunity, as they did in the fall of 1990, when, at the head of the mob, they stormed the parliament. It no longer bothers them that at that time the prime minister stood on the other side of the barricade. The opposition, together with the future HZDS, agrees that the resolution of the SNR Presidium to recall the prime minister is undemocratic (although two years later none of them challenge the constitutional right of the president of the SR to remove the minister of foreign affairs from office), and together they try to overturn the SNR Presidium and restore the government, with the recalled prime minister at its head.

What led Slovak society to work itself up to such a fever pitch of emotion, opt for violence, and lose judgment and respect for the law?

Those events of the spring of 1991 can be called historic for our small world of 5 million people. During the days of the political crisis, which ended in the split of the VPN movement, the new HZDS was born. It quickly gained in strength and, with its victory in the 1992 elections, brought about the breakup of Czecho-Slovakia and its division into two states. Slovakia set out in a direction different from the trend since November 1989, if not in an opposite direction, then certainly toward some twists and turns on the road to democracy and prosperity.

According to today's statements given by the representatives of the internal opponents in the VPN, the main reason for founding the HZDS was disagreement with the methods of the VPN leadership. "The HZDS came into being as a protest against some political methods used by the VPN leadership," says the former chairman of the VPN Slovak Council Jan Budaj (SME, 29 January 1993). Rudolf Filkus points out, in connection with the present conflicts within the HZDS, that there was "a similar situation two years ago, when he did not agree with the methods used by the VPN leadership, and people with different views were thrown out of the government" (Slovak Radio, 2 February 1993). The official biography of the first president of the SR states that, in the spring of 1991, he resigned as a protest against the recall of Vladimir Meciar as prime minister (TA SR, daily press, 16 February 1993). But one could quote a number of today's commentators who insist that "M. Kovac and R. Filkus did not have to leave the government; no one was chasing them out. But they did leave. Also for ethical reasons, as suggested by the HZDS" (NARODNA OBRODA, 3 February 1993).

But would only a single, ethical aspect of the disagreement be enough to draw broad strata of the citizenry into the conflict, create such a feverish atmosphere, whip up emotions, make people organize labor strikes and hunger strikes, and lead to physical attacks on politicians? Is it possible that a nation that in such a peaceful and amiable way put up with the totalitarian regime suddenly woke up and gave mass support to the democrats who united around the prime minister, fighting against a new totalitarian regime coming from Venturska Street?

A political movement is usually not based on only one abstract slogan but arises from the interests of groups of people and is influenced by actions of specific individuals with their ambitions, ideas, and goals. Therefore, many questions cannot remain unasked—Who initiated those events? Which forces were behind their protagonists? What kind of consequences did the pivotal actions have? To what extent was the course of events influenced by political personalities?—because politics fascinates, with its telescoping of human destiny, its dramas of personalities, their decisions about steps that will make it possible to either win or fail, gain or lose, fulfill the obligations of the political program or act with great self-denial, progress further on the way to power or be forgotten. And that struggle of the main players in the drama, the clash between the desire for power, greed, and deceit but also tolerance and respect for public interests, also determines the fate of the rest of the citizens.

#### Sources of Discontent

The political movement VPN, an association of those who initiated the November societal changes in Slovakia, won in the first free elections in June 1990 in spite of its uncertain prospects. After a steep decline in April, its popularity rose sharply in the preelection weeks, and the results of the election ensured it (with 22 percent of the

votes in the elections to the SNR) the position of strongest political entity in Slovakia. But it was not a triumph. The movement was dealt almost a death blow. It suffered a profound, painful shock and for many weeks afterwards was in the grip of a ruinous crisis.

Precisely on the day of the elections, on 9 June 1990, the vetting affair of the movement's chairman, Jan Budaj, who took himself off the list of candidates literally five minutes before the deadline, broke.

The movement was immediately accused of fraud because it allegedly deceived the voters, who, not aware of anything, voted for Jan Budaj. The chairman of the movement was accused of cooperating with State Security [StB] and of immoral behavior. Jan Budaj accused those who were his friends until then of not giving him enough support. But because other VPN candidates besides Jan Budaj did not pass the vetting process, Budaj became the symbol of deeper discontent, and that had far-reaching consequences within the movement. Those functionaries and activists in the VPN who were convinced of their innocence felt, in view of their past as opponents of the totalitarian regime, that being taken publicly into question was an insult and a violation of human dignity. They asked the KC VPN to give them full protection against such humiliation, but the KC VPN or its "pure" vetted remnant could not give it to them in sufficient degree. It no longer had any influence on the spontaneous course of events. Public opinion turned against those who did not pass the vetting process, no matter whether there was sufficient proof, or whether the extent of the guilt was established or the accusation was merely formal. Only time could have changed the attitude of the mob, but that is exactly what the actors in the drama lacked. The discussions within the movement were all the more bitter because many of the participants had relationships and friendships going back many years.

Before the elections, all political parties and movements (except the communists) asked to have their candidates vetted. It was an understandable reaction to the incipient affairs and suspicions that were being spread by people who had access to StB records, especially the assiduous rehabilitated StB members and wronged party-man in the Ministry of Interior. They used their experience and rummaged among the documents in order to be able to use them in their "political work." Representatives of political parties and movements—and Jan Budaj was among them—readily agreed to the vettings, even though they did not have sufficient knowledge of the complexity of the StB records and had not established precise rules for carrying out and evaluating the results of the vetting. A cruel paradox of the effort to cleanse the society were the accusations leveled at many candidates for the parliament, without sufficient proof of their guilt. Jan Budaj explained his signing of a formal cooperation with the StB as deceiving the enemy, which seemed to many (me among them) satisfactory. After all, tens of thousands of our citizens deceived the totalitarian authority every day: Did they not write in various cadre

documents "I never engaged in any antisocialist activity, and I came to terms with the question of religion" and similar nonsense, although their views as well as their actions were different?

But facts and their evaluation had no influence on the political reality: Even though in their statements members of the KC VPN did not question Budaj's human values and expressed confidence in him, the chairman of the movement had to bear the political consequences of his act. He had to contend with—and the entire VPN movement with him—the ferocious attacks by political opponents and the press, the savage satisfaction of the normalizers and all of the fellow travelers of the totalitarian regime, who at long last found justification for their indifference, a confirmation of the conspiratorial theories, and verified the correctness of their contempt for every moral act, including Budaj's activity in November 1989. Public opinion was influenced by the frenzied triumph of the defeated, who at last were able to take their revenge on the leader of the Velvet Revolution.

For Jan Budaj, the situation was a personal tragedy. He belonged to the few founders of the VPN who wanted to devote themselves to politics, and all of a sudden his hopes were dissolving in the contempt and vile smears of his recent enthusiastic supporters. He could not deal with the burden of this turnaround, with his dizzying fall from adored idol to helpless pariah. He tried to evade the pitiless laws of all public life. He resisted to the last minute facing up to his political responsibility: A. Dubcek even had to persuade him to take himself off the slate of candidates, following some fruitless discussions in the KC VPN. After the elections, he began to accuse the VPN leadership of failing to support his full rehabilitation. He even began to fabricate accusations that that was a deliberate political execution of a nation-oriented politician. Consumed by ambition, discredited, humiliated, and feeling the hopelessness of his position, he began to distort facts and escalate his accusations against the KC VPN. He quickly forgot that the burden of his defense was borne not only by him but also by his friends in the KC VPN.

But neither could many members and supporters of the VPN, the same as Jan Budaj, cope with the absurd situation. They saw behind his inevitable resignation as chairman of the VPN Slovak Council a sinister intrigue. The emergence of this emotional, offense-prone group of uncritical Budaj supporters and people from among those who were also positively vetted was the beginning of the internal rift in the movement: "Gal's people betrayed Budaj."

[No 20, 13-19 May p 7]

[Text] The challenged, internally suffering victorious VPN movement was faced with the task of forming a government. The prime minister at the time, Milan Cic, proved to be a pragmatic politician, a government official who communicated well, an efficient manager, and a

man who found allies in various circles. His contribution to the VPN victory in the election campaign was invaluable. His problem was his past as a normalizer. My personal experience from working with him in the government spoke only in his favor. I considered him to be a moderate person, useful for the given time. After all, during the entire existence of the government of national understanding, I was settling disputes, particularly between the chairman of the VPN movement, Jan Budaj, and the prime minister: Jan Budaj's attitude toward him was suspicious and negative almost from the beginning. I actually considered it my personal success that relations between them did not come to a head and that the government survived.

Unfortunately, after the elections, there was not enough will in the KC VPN to continue supporting Cic as prime minister. The morally unyielding viewpoint prevailed, supported mainly by M. Simecek and M. Kusy—namely, that the policies for transforming society cannot be carried out by people from the past. But no substitute plan was ready. To this day, I consider that decision a political mistake of the VPN. On the basis of good intentions, it led to a substantially worse solution than the original one and had catastrophic consequences, unmatched by the moral compromise of the original proposal.

Milan Cic collaborated with every regime within certain limits, and it can be assumed that he would also have cooperated on the realization of the governing coalition's program. As a member of the Communist Party, he was not such a zealous builder of socialism that he could not have involved himself in the process of rebirth. In 1968, he reformed the regime only to the extent that all he earned was to be struck from the membership of the Slovak Communist Party. He managed to gain back his membership within the framework of the normalization process, but he did not reward his comrades for returning his party membership card with any overly great subservience, so that he was acceptable also for the post-November government of national understanding. And, finally, not even later, in the HZDS, was he part of the HZDS hard core of those who wanted to break up the common state. He looked after his own career and, by paying careful lip service to the actions of others, finally became chairman of the Constitutional Court. And, as prime minister, he would hardly have led an assault on the common state. Given his cautious nature and penchant for tactical moves, he would obviously have made an effort to blunt the edge of the conflicts and search for proper legal ways to bring about an agreement between the involved parties. (Of course, the fact that M. Cic was named chairman of the Constitutional Court is today no longer a coerced moral compromise; it merely expresses the way things are in the Slovak society.)

The VPN movement also had to respect the views of the coalition partners and did not have much of a choice. It paid the price of its chronic malady: an insufficient desire for power on the part of its members. While in the other political parties and movements there typically is

and always has been pushing and shoving when positions are being filled, the intellectuals in the VPN had no taste for working in the government or parliament. The creators of its program—P. Zajac, M. Butora, F. Gal, S. Szomolanyiova, J. Kucerak, and others—even refused to run for parliament, or, after being elected, to serve as deputies. And so the choice of candidates for prime minister narrowed to J. Stracar, M. Kusy, and V. Meciar. In the end, the choice fell on the last one. Decisive in this selection was his experience in government work, his coherent concept of the role of government, his attractive energy and decisiveness, and, last but not least, his acceptability to the coalition partners.

#### Meciar Replaces Cic

Members of the KC VPN exhibited infinite credulity in entrusting V. Meciar with the position of minister of interior in January 1990 and made the same mistake after the 1990 elections: It sufficed to have him recommended by Club Obroda and A. Dubcek, and no one tried to find out what made the former chairman of the CSM [Czechoslovak Youth Union] okres committee, expelled from the Communist Party, so special that he was able to study law during the normalization. No one analyzed his activities in the SR Ministry of Interior during the first part of 1990, no one took his vulgarity and bullying public behavior sufficient reason for caution, and warnings of his excessive desire for power and his use of dirty methods in dealing with personal issues in his department were kept in the background. It will remain the paradox of the time and of judging people during that time that that man precisely was to replace Cic, the representative of normalization, even though, with his personality, he belongs more to the Stalinist phase of the communist era.

According to the final results of the elections, the VPN movement could form a coalition government only with the Christian Democratic Movement [KDH]. In the elections to the SNR, the VPN received, after the second counting, 48 seats and the KDH 31, from the total number of 150. To broaden the base of the government, the Democratic Party [DS] also joined the government, with its seven parliamentary seats. To pass constitutional laws, the coalition could count also on the support of the Greens Party and the grouping of Hungarian parties. The cooperation of the entities in the government coalition was problematic from the very beginning. They were linked together by their rejection of the totalitarian past, but the differences of views on how to implement the government's program were sometimes bigger between the VPN and the KDH than between the VPN and some members of the opposition. At issue were primarily the questions of the state setup and the gradual rejection of the economic reform by the KDH, but also the "reevaluation" of the era of the first Slovak state, the negative evaluation of the Slovak National Uprising, the abortion law, the teaching of religion.... The DS did not have a coherent concept of its goals and, during the entire two-year period, suffered from a pronounced "sunflower syndrome."



The KDH considered the results of the elections a loss because it assumed that it was practically certain to gain the strongest position in Christian Slovakia. It wanted to make up for its disappointment by getting a significant share of power when Cabinet posts were being allocated. In the end, the DS benefited from the arguments between the VPN and the KDH by getting a disproportionate representation in the government—three ministries. As early as during those negotiations, the prime minister put up strong resistance to giving the Ministry of Interior to the KDH and did not show much enthusiasm for future cooperation. On the contrary, he showed interest in forming a one-party government and tried to gain support in the KC VPN for his idea to form a minority government with the silent support of the SDL, which he personally guaranteed. Of course, at that time, his proposal was taken more as a curiosity. No one dreamed with what perseverance he would pursue his goal. He reached it after the 1992 elections.

An agreement on the forming of the government was finally reached, but the government began to work in an atmosphere of internal tension and distrust, with every step of the coalition partners being carefully watched, and under the leadership of an authoritarian prime minister, who did not conceal his view that it would be best for the working of the government if the KDH ministers left it. In addition, the coalition partners built a time bomb into the government's program: They pledged to limit, during the period of its governing, the number of departments and abolish some ministries. The preliminary idea was to abolish the ministries of industry, trade, and construction and merge the ministries of forestry and water management with agriculture. At their head were ministers from the DS and the KDH. Because the elimination and merger of departments also meant reducing the number of members of the government, many ministers felt themselves condemned in advance to a temporary status. They therefore looked for all kinds of ways to save themselves, even at the expense of other members of the government. That turned out to be fertile ground for political wheeling and dealing, for creating special groups in the government and vying for positions. The bomb was merely waiting to be detonated.

#### Controversies About the Past and the Future

At the conclusion of the session of the SR Government on 17 July 1990, two current issues were discussed. The first was the ceremony to honor A. Hlinka, which was being planned for the end of August in Ruzomberok by local organizations and several nationalistic groups. On the recommendation of the prime minister, the Cabinet decided not to attend the ceremony and not to take part in its preparation. The reason shared by the members of the government was the inadequate amount of time to properly plan the ceremony and the vagueness of its conception. But not even the stance of the government prevented the KDH members of the government from taking part in it.

The second issue was the position of the government on the recent unveiling of a commemorative plaque for the convicted president of the SR, Dr. J. Tiso, by Cardinal J.Ch. Korec in Banovce nad Bebravou. The prime minister submitted to the government the draft of a resolution unequivocally renouncing that act. The proposal met strong resistance. It became evident that not only members of the KDH but also some DS members (S. Novak, J. Dubnicek), as well as some ministers from the VPN (A. Huska, M. Kovac), had a different opinion of Dr. Tiso from the prime minister and other members of the government from the VPN. It ranged from unconditional admiration to mostly positive evaluation to demands for an objective evaluation of his place in history by historians. Members of the government cited the differences in the attitude of the Slovak public to the mentioned event. After a long discussion, a solution was found only in approving a carefully formulated, equivocal position of the government. It was adopted by only 11 votes of the 20 government members who were present, with eight members abstaining from voting and one vote cast against (I. Tirpak).

The controversies about the Slovak past and present thus began to carry over not only into the government but also into the VPN movement. Several weeks after the end of the election campaign, in which the VPN as well as Meciar and other important VPN members presented a clear federal program and defended their positions in tough encounters with the SNS, some began to exhibit a shift in their positions. The differentiation in the VPN movement, among its adherents as well as in the entire society, was dramatically accelerated by two political controversies in the second half of 1990: the disputes about the language law and about power-sharing.

Considering its brief existence, the openly separatist SNS succeeded beyond measure in the 1990 elections. However, the loud behavior of its representatives and activists did not provide much hope that the influence of the SNS could widen. Its program, which was later taken over by others, was able to fly primarily because of the help given by Matica Slovenska. As early as the spring of 1990, some groups began a drive among the public to promote the adoption of a language law. That drive was given a new dimension when Matica Slovenska, with its new chairman, Jozef Markus, took the lead.

From his work at the Scientific Institute of the Slovak Academy of Sciences, Jozef Markus went on to become a member of the SR Government in December 1989, on the recommendation of the KC VPN, as a well-known economist and a man without a party affiliation. He was not one of the founders of the VPN, he was not even a member of the VPN, and relations between him and the KC VPN remained reserved, which had specific reasons. In his function as deputy prime minister, Markus showed little initiative, his share in the drafting of the economic reform did not come up to expectations, and his contribution to the work of the government was negligible. The government of the national understanding, primarily thanks to M. Cic, worked in an



atmosphere of mutual cooperation and responsibility. I believe that Cic did not get along well with only one member of the government, whose behavior he did not consider politic, and that member was Jozef Markus. Other members of the government also found it difficult to get along with Markus. His responsibility in the government was to draft basic material on the economic reform, but the reports he submitted for discussion were criticized by members of the government as being without substance and "too literary." For example, in the spring of 1990, a visit to the United States and Canada by a delegation of the SNR and the SR Government took place at the invitation of the Slovak World Congress. The departure was set for 8 May 1990, and, during the delegation's stay overseas, one of the key discussions of the federal government on the progress chart for the economic reform was to take place. The preparation of the Slovak Government's position on that matter (and others as well) required the personal participation of the deputy prime minister responsible for that particular area and, of course, his presence during the discussions. That was already the beginning of the election campaign, and some decisions could not be put off. In spite of the prime minister's opposition, Jozef Markus literally forced his way into the delegation on the basis of personal invitations from the hosts and flew off for a visit to the United States. He was not at home to attend to his duties that were of key importance, about which our Czech colleagues, naturally, made sarcastic remarks. (It was not the first or the last time a Slovak politician readily and with passion spoke about defending Slovak interests, but, when he actually had to make the effort, did nothing.)

During his stay abroad, Jozef Markus, on his own initiative, without being authorized by any agency, gave a speech with a separatist slant and, by so doing, overstepped the bounds of the government program. Prime Minister Cic was very angry after their return and impatiently awaited the end of his cooperation with Markus after the approaching elections. For that reason, no further political support for Markus by the VPN came into consideration. Before to the elections, therefore, Markus was trying to get the support of the KDH, and, after the elections, they nominated him to the Federal Antimonopoly Office. But even the door to the chairmanship of that office closed in his face because what happened was what the well-informed former minister of interior and at that time prime minister shouted at the meeting of the SNR in October 1990 (Jozef Markus did not pass the vetting process).

When, in August 1990, Markus was elected chairman of Matica Slovenska, it gave him the opportunity to return to political life. He reoriented the activity of Matica Slovenska and thereby gained a better instrument of power than a chairman of any political party has: a state-financed cultural institution with a mass membership, tradition, good name, equipment, and publications. And he understood, as did Meciar and other successful political leaders, that the quickest way to gain

people's support is by addressing the dark side of the human soul: by naming the enemy and inciting hatred. He did not concern himself with the teaching of the Slovak language, he did not participate in establishing schools, he did not organize assistance for such objectives on behalf of the "harassed, unappreciated Slovak nation" but began a pressure campaign for an immediate adoption of the language law.

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[Text] The language law was to delimit the use of an official language on the territory of the state. If we understand democracy not only as the right of the majority but also and equally as the protection of the rights of the minorities, the language law was not only to establish rules for the use of the majority language but also to guarantee the right of the minorities to their own language, and, naturally, the rights of the minority within the minority; that means the rights of the members of the majority nation on territory populated mostly by members of a national minority. The proponents of passing the language law put out the extremist slogan "In Slovakia only in Slovak—without exception," which showed the clear intention of limiting the rights of the minorities, especially the Hungarians. The government, and especially the VPN movement, made a mistake when they reacted to the demand to pass the language law rather late and thus left the initiative to the nationalists and the entire opposition. And those made maximum political use of the opportunity.

All of a sudden, society was shaken by the controversy over the adoption of the law itself, as if someone were trying to stop it, and the content of the law was pushed to second place. While setting the deadline for discussing the draft law in the SNR was only the technical problem of drafting the wording of sections of the law, the real controversy existed at the level of its content: whether in Slovakia the law would limit human rights in the use of the language of the minorities, or whether Slovakia would take its place among cultured, democratic countries by passing commensurate legislation in that area. The campaign concerning the adoption of the language law came to a head around October 1990: Demonstrators filled Bratislava's squares, hysterical women and fanaticized men barely able to speak in a dialect announced hunger strikes for "the Slovak language." In the eyes of the warriors blazed the holy determination to force the Hungarians to speak Slovak—if no any other way, then by law. Violence moved into the streets. The mob attacked the building of the SNR and, at its head, V. Moric, deputy for the SNS, called for the rejection of the SNR resolution and the dissolution of the freely elected parliament. (Perhaps it was just that democratic sensitivity of his that predestined him to become adviser to the first president of the independent SR, M. Kovac.)

Nationalistic journalists burned with passion and indignation, radio and television were featuring (or, to put it the Slovak way, making visible) the heroes of the fight for the Slovak language and nation, and opposition

politicians were outdoing each other in issuing radical proclamations. It is to the credit of Slovak democrats that, despite the hate campaign, the deputies did not give in to pressure, and the SNR approved the language law in an acceptable, if not a perfect, form. But, even after it was passed, Matica Slovenska did not stop whipping up emotions, supporting hunger strikers, calling meetings, agitating schoolchildren, and demanding the approval of only its own "Matica" proposal.

Trade unionists demanded that a general strike be called to force the resignation of the "anti-Slovak" government and the dissolution of the parliament. There were demands for proclaiming national sovereignty. Extremists threatened to assassinate government officials and their families. Nationalists announced that opposition to the approved language law was a public referendum on confidence in the government and the parliament, and called for civil disobedience. The opposition tried for four months after the elections to reverse its result.

The prime minister understood that challenge, rejected the controversy about the language law as a pretext, and made clear, in a television dialogue with Jozef Markus on 25 October 1990, what he thought about what was happening: "This is not playing for peanuts; this is a struggle for power." And it was the immediate possibility of losing power that caused him to lose his equanimity and brought him before the cameras. He never again made the same mistake and never took part in any dialogue with political opponents. He squelched his rivals not in a direct confrontation by arguments but by brute force. Who knows? Maybe he came to understand at that time that the irrationality of nationalism could be an enormous help to a politician trying to gain power, that it could be precisely the unifying factor he was looking for that would enable him to gain such broad support among the population that he would not have to share power with anyone.

As the final result, the VPN suffered a severe defeat in the language law controversy: By defending the civic principle in society and the human rights unknown among the public, it took a stand in opposition to everyone else, to the "nation" and its interests. Even many VPN deputies and officials felt that the national idea was uniting people and that the VPN was becoming isolated. Some of them considered radicalization in the national sense correct and voted in the SNR in favor of the coalition's draft of the language law only against their better judgment. They were the ones who six months later formed the HZDS deputies' club.

Although they continued attacking the language law for a long time after it was passed, and Matica Slovenska and the nationalist parties during the preelection period demanded and promised an amendment to the law, neither the SNS nor the HZDS presented any such proposal in the National Council after the 1992 elections. Even Matica Slovenska is silent, although, given the present configuration of the parliament, nothing should stand in the way of the amendment, and the

state-forming nation could limit the rights of national minorities. The only obstacle could be the adopted Constitution. It is precisely that silence that proves that the problem of the official language was used for a particular purpose and to agitate the people in Slovakia. Currently, in contrast, there is the step taken by the Hungarian political parties, which are asking the Constitutional Court to rule on the consonance of the law with the Constitution of the SR.

### Fight With "Federal Establishment"

Only a few weeks after the government was formed, the prime minister drafted a proposal in Trencianske Teplice for power-sharing by the federal government and the governments of the national republics. He justified his tough approach at the meeting of the VPN ministers' club on 13 August 1990 by citing the difficulties of centrally managing the economy under the conditions of the quickly deteriorating economic situation. He emphasized that economic reform cannot be realized in a politically unstable country and that, in his opinion, the redistribution of power is not about fighting for it; it is about designing the VPN national program in a way that will not provide opportunity for the extremists. It is the end of centralism that will be the beginning of a real integration of the Slovak and Czech Republics. Minister R. Filkus pointed out the risk posed by the convergence of negative external influences and preoccupation with taking over power. Federal Prime Minister Calfa objected that the acceleration of constitutional changes would destabilize the Federal Government: It would not be possible to implement the CSFR Government program, approved only in July 1990, because, in one month's time, its basic concept would change. He maintained that the redistribution of power meant creating a base for economic independence of the republics and that we were starting to do everything at once: the economic reform as well as the constitutional changes. He considered power-sharing an unnecessary step before drafting the new Constitutions because, in a market environment, the branch agencies would soon become defunct anyway. He proposed having the problem evaluated by groups of experts and resolved within the framework of the drafting of the Constitutions.

At the meeting of the Slovak Government on 14 August 1990, Prime Minister Meciar received full support for that approach in the negotiations in Trencianske Teplice from all of the coalition partners. The prevalent view was that the economic reform demanded a quick decentralization of power and that that approach was also in accord with the national dimension of the political programs of the coalition parties and movements.

The fact remains that that specific but fundamental step toward realizing the VPN program, which exceeded the limit of executive power, was taken by the prime minister, and the political leadership of the VPN movement merely went along with him. And, with the quickly

growing tension in the society, the problem of power-sharing turned into a real fight with the Federal Government. Contributing to it were the deteriorating economic situation, strong pressure from the nationalists, and, especially, the methods used by the prime minister.

People began to feel the increase in prices. Industrial production as well as the GNP [gross national product] were declining. The supply of crude oil decreased, and there was a critical situation in the availability of petroleum products as well as significant stoppages in chemical production. The shock from the loss of the eastern markets led to demands for the government to help enterprises out of their financial difficulties. The worst problems were experienced by the federally managed branches: The crisis of several years' duration in the marketing of arms production was ruining the arms industry, and there were no means available for new conversion programs. The reduction in the mining of coal caused a loss of prospects for social security for the employees. Poor-quality electrical products became unsalable. The cumbersomeness of the federal bureaucracy on the one hand and the irresponsible pronouncements of Slovak politicians together with the campaign of nationalistic journalists on the other fostered false hopes in Slovakia that the transfer of power to the level of the national republics would, like a magic wand, solve the problems of the enterprises and the people because the "federal establishment" did not want to deal with them. (In that respect, a clear example is the case of the Slovak Coal Mines—after power was transferred to the national level, they found themselves, since 1 January 1991, in a worse situation than before for a time because the problem of inefficient mines was dealt with in the CSFR within the framework of the federation by transferring earnings from the profitable surface mines in Bohemia to the unprofitable underground mines in both republics. After the Slovak agencies took over power, that source of finance dried up, and the Slovak coal mines became dependent on subsidies from the budget of the SR. The real problem of high costs in mining did not change, and the HZDS government could not avoid making a cutback in mining production, either.)

However, the tension in society during the second half of 1990 was caused primarily by SR Prime Minister V. Meciar: He very quickly shifted the question of power-sharing from the pertinent level of its extent to statements in the media, pressure, ultimatums, dramatic complaints, and conditions addressed to the federal agencies and their officials generally. The "federal establishment" became the symbol of anti-Slovak efforts and the cause of Slovak misery. In spite of the fact that the Federal Government was also a coalition government, that its members were delegated from the same parties and movements as in Slovakia, and that, in fact, the federal prime minister was a VPN member, the controversy about power-sharing created a clear dividing line between the Federal Government and Slovakia. Although many negotiations between the leadership of political parties and movements and deputies, as well as

with the president, took place, the tension in Czech-Slovak relations and doubts about the trustworthiness of promises and obligations grew because some acts of Prime Minister Meciar were irreparable.

In the first days of December 1990, preparations for debating the law on power-sharing were concluded in the Federal Assembly. The Federal Government approved the draft, the Czech National Council expressed reservations about it, and further proposals for changes were to be expected in the Chambers of the federal parliament. Intensive negotiations with deputies' clubs were going on, and VPN deputies, in particular insisted that the law be passed and were searching for ways to come to an agreement. The situation was tense but not catastrophic, dissensions were being overcome with difficulties, and there were a number of alternative proposals, some more and some less favorable, but the will to reach an agreement was not yet lost, because, apart from the extremists on both the Slovak and the Czech side, everyone wanted to restore calm in the society so that the parliaments and the governments could at last devote themselves to work on the economic transformation and the building of a rule-of-law state.

On 6 December 1990, the work day in the Office of the Slovak Government dawned as an unusually calm one, with no especially important meetings: At 0715 I had already paid a visit to my doctor, and at 0800 talks began between the director of the Bratislava Auto Plants and the government official on the Volkswagen project. A 1000 meeting was planned with the director general of ZTS Martin [Heavy-Machine Tool Enterprise Martin] on the possibility of selling arms equipment, an 1100 meeting with the chairman of the Slovak Association of Production Cooperatives on government policy and support for the cooperatives of disabled people, and a 1300 discussion with representatives of Slovak Coal Mines and trade unionists on cutbacks in mining. In the evening, at 1900, a meeting of the political club of the VPN was to begin. But everything was changed because, at the start of the first meeting, the secretariat of the prime minister announced that members of the Presidium of the SR Government were flying immediately to Prague for negotiations with the Presidium of the CR Government. We had to cancel our meetings, and, in the plane, the prime minister announced that it was essential to discuss the issue of the power-sharing law with the Czech Government [CR]. During the flight, we went over the individual versions of the law that were still open, especially those concerning the central bank and filling the positions of its governors, communications, the question of national minorities, the gas and oil pipes. In the meeting room of the CR, we met Prime Minister Pithart and some members of the Presidium of the CR Government because, as a result of the suddenness of the discussions, not all of them were available. On the Slovak side, those taking part in the discussions were Prime Minister V. Meciar, Deputy Prime Minister J. Carnogursky, J. Kucerak, V. Ondrus, Minister of Finance M. Kovac, and A. Nagyova, chief of the prime

minister's secretariat. (The participation of the chief of the secretariat in the negotiations of the government officials was surprising; many of those presents did not like it, but the prime minister did not offer a reason for her presence.)

CR Prime Minister P. Pithart began the discussion and came right to the point: He stated the position of the Czech National Council on the draft law, explained the reasons for the stance taken by the Czech side, and asked what would be acceptable to the Slovak side because it could be expected that the Federal Assembly would go further in making changes. SR Prime Minister V. Meciar answered. He asked for clarification of the positions on the Trencianske Teplice agreements, which represented a plan for the federation of the two republics, because, at that time, pressure against the agreements, especially from V. Klaus, was growing. He noted that the political concept of the Civic Forum was not conducive to an agreement and was even casting doubt on representatives of the CR. He announced that the Slovak Government had already made concessions twice and that today was expected to do so for the third time. Those expectations might not be fulfilled: The Slovak deputies in the Federal Assembly might vote against the amendments to the draft law, and the Czech deputies might not necessarily approve the law on power-sharing as a whole. "However, that will have consequences," he emphasized dramatically. "In that case, the sovereignty of the laws of the SNR will be immediately approved in Slovakia, including the powers according to which the SR will conduct itself, which will mean the end of the federation. It will also mean the political downfall of Meciar and Pithart, who wanted to preserve the federation. Thus, Civic Forum and the journalists will have succeeded in breaking up the state because part of the Civic Forum aims at frustrating the plan for a federation. But the Slovak political representation is united and sees no possibility of making concessions."

The members of the CR were in shock, and we for our part were stunned by the prime minister's statement. He was not authorized by anyone to take such a position—not by the government, not by the SNR Presidium, not by the VPN leadership. It was his private opinion, which he presented as the position of the Slovak political representation. It was embarrassing to go against the prime minister's words, but all of the members of the Slovak Government reiterated in their statements the necessity of continuing the discussions and of searching for all possibilities that would lead to an agreement. No one gave open support to the prime minister. Even Jan Carnogursky, the only one representing the KDH, thought it necessary to emphasize that we were seriously interested in preserving the federation.

However much we tried to remove the terrible impression left by the prime minister's ultimatum and calm our partners, the atmosphere remained tense. We parted with the promise to do everything we could to have successful negotiations and reach an agreement. The prime minister made a labored joke, referred to his

friendly relations with P. Pithart, and, in the excitement, still kept addressing him by his first name. But the seed of mistrust was planted too deep: Czech politicians could expect unilateral steps against the common state.

The consequences were not long in coming: Prime Minister Pithart informed the CRN chairwoman, D. Buresova, about the negotiations; the CNR passed its declaration; CSFR President V. Havel made an unfortunate speech in that dramatic situation; and VPN representatives, its chairman, F. Gal, and deputies in the Federal Assembly talked feverishly to convince our Czech partners that our position was seriously meant. And the CR, convinced of the inscrutability of Slovak politicians, and thinking, with good reason, that it could expect similar acts from Slovakia at any moment, justifiably began to prepare a catastrophic scenario for a possible breakup of the common state.

In the end, the Federal Assembly passed the law on power-sharing just before Christmas 1990, but a number of belligerent statements, provocations, deceptions, and words literally full of hate that accompanied the "struggle against the federal establishment" necessarily left a bitter taste in the mouths of the proponents of Slovak and Czech coexistence. After the law was passed, SNR chairman F. Miklosko served a Slovak cheese pasta specialty to the Federal Assembly deputies, while V. Meciar called its passage a tragedy. His statement was ominous: After the redistribution of powers, the "federal" enemy disappeared, and someone was instantly left without an adversary.

What the SNS and other nationalistic organizations found hard to achieve, V. Meciar was able to do in six months: A vast number of people in Slovakia, among them even members of the VPN, began to view the Federal Government, the common state, as an enemy of the Slovaks and its defenders as traitors in the services of a foreign power.

### Beginning of VPN Breakup

Six months after the civic initiative VPN came into being and was transformed into a political movement, that group, as the strongest political entity in the governing coalition, assumed responsibility for the further development of the country. Even though some followers left the VPN at the beginning of 1990 and other parties and movements were established, during the election period and shortly thereafter, the VPN movement was composed of members with very diverse views—their common bond was their desire for change and their rejection of the past. Their ideas about the implementation of the movement's program and further development of society soon collided with reality. And, not only that: The disillusionment of the public was generally growing and had been since the spring of 1990. The dismantling of the totalitarian regime did not result in an instant solution of the economic and social problems. The incantation that brings instant prosperity, which was so effective at roundtables during December 1989,

when secretaries fell from power, governments resigned, the Constitution was changed, and the president abdicated, did not work when it came to increasing wages, rectifying injustices, or removing old structures. The democratic political system did not bring people prosperity, a clean environment, or better health care all by itself. It only gave them the possibility of participating in the creation of a rule-of-law state and of searching for their new place in the changing circumstances. The resulting bitterness did not fail to infect even VPN members and officials, and it increased after the elation over the election victory dissipated.

Cohesion within the movement did not have a natural ideological base, nor did the organizational structure and internal mechanisms for forming political views of the movement support it. Ideas about the need for a broad-spectrum political movement with independent organizational units, joined only by horizontal links, were still prevalent in the VPN center. They were becoming incompatible with the function of a governing movement that was shaping future developments through legislative and executive power. A dizzying array of tasks that had to be addressed, from government programs and decisions to drafting laws, filling positions with specific people, and building a professional apparatus of the movement, could not be coordinated in advance, and, among the members, the decisions created discontent and brought accusations that the center of the movement had become detached from its parts. The revolutionary notions about direct democracy and approving every decision in advance at the local level could not be realized: Okres structures wanted to participate in political decisionmaking, and the decision-making mechanisms began to be created belatedly and slowly.

The congress held at the beginning of September 1990, when J. Budaj stepped down as chairman of the movement and F. Gal was elected to fill that position, did not calm the atmosphere in the movement. The dissension increased particularly as a result of the exchange of views in the media between SR Prime Minister Meciar and CSFR Prime Minister Calfa on the power-sharing issue and the campaign for adopting the language law. Relations with the KDH within the coalition grew worse, as well. And the movement also suffered the tragic loss of two important personalities: Slavomir Stracar died in August and Milan Simecka in September.

To discuss the problem of the movement's internal integrity, the chairman of the movement called a meeting of representatives of okres councils, deputies, and members of government for 29 and 30 September 1990 in Tatranska Lomnica. The key point of the discussions was to be the positions of the two prime ministers on the power-sharing issue because, having the conflicts dealt with through the media was becoming intolerable and was generally weakening the VPN position. The attendance at the meeting corresponded to the urgency of the discussions and clarification of the positions. Present were A. Dubcek, chairman of the Federal

Assembly; F. Miklosko, SNR chairman; M. Calfa, prime minister of the Federal Government; and other government officials. Missing was only SR Prime Minister Meciar, in spite of his promise to attend. After a full day of chasing the prime minister all over Slovakia, he came after much urging late in the evening. While M. Calfa spoke immediately at the beginning of the meeting about the extremely serious economic situation, the relations between the federal and the national governments, and the contested basic powers in relation to legislative provisions, the address by V. Meciar was an embarrassing disillusionment. Because it was known that he does not drink alcohol, he gave the impression of a man in the grip of a pathological euphoria. His speech was a confused jumble that culminated in a megalomaniac fantasy about how he would solve unemployment by placing 100,000 workers in Germany. The confrontation of the positions of the two prime ministers could not take place because of his lack of interest and indisposition. The representatives of the okres councils, in particular, left the meeting deeply disappointed, without any resolutions or information to take to their members, and quite a few also with the conviction that the VPN leadership and the KC VPN were unable to cope with the situation.

The discussions did not stop even at the very next meeting of the VPN Slovak Council on 13 October 1990. The former chairman and at that time member of the council, J. Budaj, announced his resignation from the council and gave as his reason the loss of the spiritual dimension of the movement, its departure from the original objective to defend civic interests, and its gradual transformation into a political party. He also reproached the movement for being insensitive to national interests and for not reacting to the dynamics of national maturing. However, a unity of views on those questions was hardly any longer possible. At issue now was only mutual tolerance inside the movement. The time of the one-dimensional relationship between citizen and state was already past, and a natural diversification of civic interests was emerging. The revolutionary movement VPN changed into a political movement, and it, in turn, gave birth to a civic-democratic political party, which was a party not without a national program but with a different national program such as the movements and parties that hold the nation as the supreme criterion of values have. P. Zajac expressed the essence of the matter clearly: "The future of the VPN depends on how the democratic feeling in Slovakia develops."

The dissatisfaction of some representatives of the VPN okres councils with the direction of the movement led to a special meeting in the middle of October 1990, later known as the "Trnava Initiative." The meeting was dominated by "a spirit of predilection for simple solutions"—as it was characterized by the chairman of the KC VPN, J. Flamik. The topics of the discussions and the objections to VPN politics, and especially to the activities of the VPN leadership, were summarized by the participants in the publication "Koncentrovane

Chyby [Collected Errors]" (VEREJNOST, 16 March 1991). What was it that the authors held against the VPN leadership? Primarily its defensive approach to the national dimension (support for the establishment of a university from the grant of a millionaire of Hungarian origin, forming a coalition with the Hungarian Independent Initiative, not using the Slovak emblem on its election posters, insufficient defense of the prime minister against attacks in the Czech press, negative statements about the activities of Matica Slovenska and the SNS, inadequate rejection of the activities of Coexistence, and formulating the language law from the viewpoint of national minorities and not from the viewpoint of the state-forming nation). Also, lack of democracy in the movement (the center detached itself from the base, does not keep the movement informed, and makes decisions at the top level; the congress was manipulated). In their opinion, the reason for the decline of the movement's attractiveness, besides the gross mistakes on the national question, was the fact that the most popular members of the movement (V. Meciar, M. Knazko, J. Budaj) did not hold any office, and indifference toward the status of laborers in factories and their fear of being let go. They also expressed serious objections to the failure to keep up the aggressive stance of the movement toward the old structures and Marxist ideology (giving preferential treatment to the nouveaux riches in the privatization process, the mafia in enterprises, and passivity toward the persistence of the old structures of the former regime as well as the presence of communists in the trade unions). The members of the meeting spoke out, "in contrast to the VPN center," in favor of the national program and an "anticommunist, rightist stance."

It is paradoxical or, rather, characteristic that it was precisely the initiators and participants in the "Trnava Initiative" who, six months later, formed the HZDS with V. Meciar at its head, which opposed the VPN Slovak Council and the KC VPN because "they abandoned the program of the movement and made a turn to the right. Even though the "Trnava Initiative" saw in Prime Minister Meciar a positive model of a politician and a potential chairman of the movement, he himself did not support them during the meeting of the VPN Slovak Council on 22 October 1990. He said he was working in full accord with the chairman of the movement, F. Gal, and the SNR chairman, F. Miklosko, and considered personal changes unacceptable. He mentioned several reasons for it: We are entering one of the most difficult stages in the development of the CSFR, when two extreme options are being decided—a Slovak state and a unitary state—and there are impulses coming from abroad to break up the common state; a conflict with the Civic Forum, where they are attacking Dubcek and Calfa, is looming, and a test of political power in approving the language law is imminent; the government is aware of how threatening the political, economic, and social situation is. He thought the Trnava meeting was politically naive and imprudent because the aim must be to strengthen the movement.

### Birth of a Leader

In the evening hours of the last day of October 1990, we were in the Office of the SR Government, expecting the arrival in Bratislava of a large group of German entrepreneurs. In view of the importance of the visit and the participation of representatives of the most important German companies, the prime minister was giving a dinner in their honor on the premises of the Government Office. When, in the early evening, I finished preparations for the discussions, I received a message from the secretariat to come immediately to see the prime minister. I was greeted by the chief of the secretariat, Mrs. Anna Nagyova, who was crying into a handkerchief, with the words: "Look what's going on!" I entered the prime minister's office, where he had an open suitcase on the table and was throwing books, documents, and personal items into it. Red in the face, seething with anger, he was racing around the office: "Here you are, read it!" he said and handed me a copy of a letter to SNR chairman Miklosko, in which he was tendering his resignation. Mrs. Nagyova sat in a chair and wept: "And what will happen to us? You don't think about that?" But there was no talking with the prime minister. He just kept repeating: "They knew about it and did nothing. I told them Andras must step down. At last I will have some peace!" He packed his suitcase full, closed it, and glanced around the room.

The government was left without a prime minister, and, for the next half-hour, I had to worry about dozens of German entrepreneurs and embarrassing explanations of the prime minister's absence.

The prime minister disappeared, and, for two days, no one knew where he was. There was no information about where he was staying, he did not contact anyone, did not call, at home they knew nothing about him, or maybe he asked them to deny his presence. The official visit to the Hungarian Republic had to be canceled. At the same time, the political situation was tense to the extreme, only a few days had gone by since the language law was passed, and the storm of discontent had not yet quieted down. Matica Slovenska was inciting hunger strikers, organizing meetings of college students and school children, and calls for labor strikes were being heard again. Discussions with trade unionists and college students were taking place, and measures to stabilize the situation were being adopted. And precisely at that time, only two days after the commemorative meeting of the SNR, during the Cabinet meeting on Saturday 27 October 1990, the prime minister harshly attacked Minister of Interior A. Andras and announced that he was taking over the management of the Ministry of Interior along with Deputy Prime Minister J. Carnogursky. He announced that he himself would tender his resignation if A. Andras did not step down by 1 November 1990. Deputy Prime Minister J. Carnogusky protested and pointed out that we needed unity in the government and the coalition at this time, not an escalation of conflict in the government.



The prime minister's reaction was quite unbelievable: In his evening television address to the citizens, he publicly called on the minister of interior to step down. The conflict became public knowledge, and it was no longer possible to find a compromise to save the prime minister's face; now there was only a choice between two extremes.

That blackmail kind of approach shocked not only the KDH politicians but also the VPN movement.

In December 1989, representatives of the KC VPN and the SNR Presidium agreed at a roundtable that the position of minister of interior would be filled by someone without party affiliation. But a suitable candidate was not found, and, on 12 December 1989, the SNR Presidium named a government without a minister of interior. His duties were taken on by the prime minister and two deputy prime ministers. Finding a candidate for the position of minister of the interior was difficult: New political parties did not yet exist, and members of the KC VPN did not show interest in taking on a Cabinet post. Mozart House became a confessional, a court of last resort, a sanctuary for all of the wronged and humiliated who flocked there from all over Slovakia, and so members of the KC VPN were subduing unrest in prisons, devising projects to assist single parents, comforting the old and the sick, and dealing with thousands of social problems. Candidates for Cabinet posts, other than members of the National Front parties, were proposed by groups of opponents of the totalitarian regime, who recommended trustworthy individuals. Some people offered their services on their own. In December 1989, in the secretariat of the prime minister, I met V. Ciklamini, who offered himself as a candidate for the position of minister of interior. He asked me to arrange a meeting with J. Budaj and members of the KC VPN. By coincidence, I knew V. Ciklamini from a previous job in a trade organization, where, after being expelled from the Communist Party, he worked as the enterprise attorney and had reportedly served in the diplomatic service. I also met I. Laluha in another job and knew that they were acquainted. (Slovakia is small, and Bratislava is even smaller.) V. Ciklamini was recommended to Prime Minister Cic by members of the Obroda Club, obviously also by I. Laluha and A. Dubcek (as was V. Meciar).

A few days later, Ciklamini visited Mozart House and introduced himself to members of the KC VPN, but, after talking with him, J. Budaj said, "But he is an StB man, and one day he could put us all in jail." When I informed Cic about the negative opinion expressed by the KC VPN, Ciklamini's hopes were dashed, and, yearning for the position of minister of interior, he began to think of Budaj as the architect of his misfortune. When shortly thereafter he managed to become deputy federal minister of interior at the intercession of the same people from the Obroda Club, he used his experience to search around in the StB files and was obviously the first to obtain compromising documents on J. Budaj. Together with those close to him he made use of them.

However, there were not too many people to choose from, and the most important department was still unfilled; even Prime Minister Cic was becoming anxious now because SNR chairman R. Schuster was pressing him, and the work was burdensome. Finally, Budaj had an idea and proposed announcing a public competition for the position of minister of interior. The competition was to basically replace the selection of candidates from the nonexistent political parties, but that method nevertheless exceeded the limits of even the then revolutionary times, and Cic rejected the idea. Time was passing. It was the beginning of January 1990, the government had been working without a minister of interior for almost a month, and Cic therefore decided to arrange an internal interview by the prime minister and deputy prime ministers with several candidates recommended to him from the ranks of the Ministry of Interior and elsewhere. Among them was V. Meciar. After the first meeting, we agreed unanimously that he was the right man: He convinced us with his energy, his eloquence, his decisiveness, and his experience. He was vastly superior to the other candidates. On our recommendation and with time pressing, the KC VPN also agreed with his nomination. From today's point of view, it is extraordinary how one-sidedly we judged people expelled from the Communist Party—as if a forced departure from its ranks and having been persecuted by the regime were a sufficient guarantee of their democratic thinking.

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[Text] As minister of interior, V. Meciar acted independently and energetically, gave convincing reasons for the measures he took, and, at Cabinet meetings, did not give the impression of being a contentious type of person. He was intimidating only when making public threats about empty prisons in March 1990. I had to respect his decisiveness in making preparations to suppress the prisoners' uprising in Leopoldov in the spring of 1990, when, finally, even the federal officials accepted his proposals. In the election campaign, he traveled tirelessly around Slovakia and knew how to speak to the simple people.

After he became prime minister, I began to know another side of him and observed gradual changes in his behavior and personality. In contrast to Cic, who surrounded himself with a group of advisers, conferred with them about pending measures and steps, and carefully weighed his every statement in public, Meciar immediately got rid of all of the advisers and evaluated all of the problems by himself, alone. He did not trust anyone near him and suffered from almost a pathological suspiciousness. His only confidant became Mrs. Anna Nagyova, the chief of the secretariat, whom he "inherited" from the previous prime minister. It was even impossible to settle anything with the new head of the Government Office, V. Borodovcak, whom he brought over from the Ministry of Interior, because he sometimes could not get to see the prime minister for as long as two weeks at a time.

Among members of the government, Meciar quickly gained authority with his unbelievable efficiency, remarkable memory, and broad outlook. He was able to sit down after day-long discussions to study matters submitted to the government and, in the morning, astonish the ministers with a better knowledge of the problems than the heads of the departments themselves. After having led discussions for some 12 hours, he would get into his car and give his talk directly into the television camera without any preparation and, after his return, would continue the discussions. However, before long he looked exhausted, irritated, and full of worries and began to behave in an authoritarian manner. He was in a vicious circle: He spent entire nights in the office, and his eyes were bloodshot from lack of sleep, but he refused to accept coworkers and advisers. He did not need coworkers; he needed people to carry out his orders. He was not willing to implement the team-produced program of the movement but began to formulate it himself. Soon, members of the government and the political movement VPN began to learn from the press and his television addresses of fundamental political steps about which he did not consult with anyone; they were often in contradiction to the agreed-upon approach. He acted in a high-handed manner and often presented the VPN with a fait accompli. At the same time, his arguments were becoming more aggressive and less well substantiated, and he often used half-truths and even knowingly lied.

Although he gained support of the KDH by his uncompromising stance on power-sharing, he treated its members as adversaries and not as partners and often overstepped the limits of propriety. He was literally insulting toward Deputy Prime Minister J. Carnogursky; in spite of the fact that many Cabinet members reproached him for it, he did not change his ways.

Relations with the KDH were growing worse because of its distinctive interpretation of the government program, especially in regard to the state setup but also because of the way it worked: KDH ministers occupied the majority of ministries concerned with production and were giving their followers jobs in the enterprises and laid claims to jobs in the ministries regardless of people's expertise. There was friction at every level of the administration. And very soon a conflict between the prime minister and the minister of interior developed. The prime minister turned over his former ministry to the KDH with a heavy heart and claimed the right to intervene in its activities. The KDH leadership did A. Andras a disservice by naming him minister of interior—he was too young and inexperienced, and he had an extraordinary rival in the prime minister, who did not miss a single opportunity to embarrass him by exhibiting better knowledge of the department's problems and by trying to prove his incompetence. He succeeded in creating an atmosphere in the government that was unequivocally anti-Andras: The preparations for local elections and the building of the administration were limping along. The real background of the conflict between the prime minister and the minister of interior remained hidden, and,

because of the tension between the coalition partners, the minister of interior was unable to open it up for discussion in the Cabinet or the coalition meetings. And maybe he did not gauge correctly how quickly the hostility toward him was escalating.

When the prime minister resigned and literally disappeared from the world, his fate was decided by members of the government from the VPN and the DS, who all supported him and convinced members of the SNR Presidium that the government would otherwise fall. They thus committed a grave political error; they did not look into the real background of the conflict, and neither did the SNR Presidium, which neglected to do its duty. Their only vindication was the prime minister's master stroke in timing Andras's ruin during the time of an extreme political crisis immediately after the language law was passed, when the fate of the freely elected parliament and government hung in the balance, and accepting the resignation of the prime minister could have been the last straw. At the same time, the publicity given to the prime minister's ultimatum on television did not provide time for verifying Andras's defense against the accusations of the prime minister.

The prime minister tried out on A. Andras the method of removing inconvenient people and disobedient coworkers from his vicinity by ruining them. He used the same method in turn against A. Andras, J. Kucerak, F. Gal, and M. Knazko, casting doubt on their professional capabilities and moral standards and using the blackmail approach of "either he or I" and brutal pressure by means of manipulated political bodies or the public.

Today we know that the real cause of the pressure the prime minister put on Andras was the "struggle for the Ministry of Interior": different views on the personal changes in the ministry. We cannot be surprised at the internal uneasiness, worries, depression, and feeling of persecution that could be observed in the prime minister during that time. At stake were his people, those who were bringing him stolen StB documents and to whom he was under obligation. The report of the SNR Defense and Security Committee provided sufficient proof of that. Unfortunately, it never occurred to me or other members of the government at the time that taking place behind our backs was an invisible, tenacious struggle for the future of Slovakia. It took us several more months to learn (and some experienced it on their persons) about the misuse of StB documents against members of the government.

At the urging of the representatives of the VPN, the KDH, and the DS, Minister Andras resigned on 2 November 1990. The prime minister achieved his goal but, at the same time, became suspicious of the KC VPN, particularly the chairman of the VPN Slovak Council, F. Gal, and SNR chairman F. Miklosko, who deplored his high-handedness and blackmailing methods, hesitated about giving him their support, and would have let him fall if it had not been for the support of the government. He felt his power position threatened and was able to



deduce that, unless he were surrounded by only unreservedly devoted people under obligation to him, a similar situation could repeat itself. He needed to get the VPN movement under his control, to dominate its leadership. He had an opportunity to put his plan into effect at the VPN congress, but the congress, originally planned for November 1990, was postponed until February 1991; after going through the political crises and with the negotiations about power-sharing coming to a head, there was no energy left to arrange it any sooner.

The dissension within the movement grew and the heat was increasing, but the moment for the flames to flare up had not yet come.

#### Attempting a Truce

The resignation of Minister Andras brought a certain sense of relief that an open conflict within the coalition had been averted, but it did not calm relations within the VPN movement. The prime minister set out on a road of permanent confrontation. His method was simple but extremely effective. He made accusations in the media based on half-truths, kept fomenting conflicts with the "federal establishment," always in advance, always on the attack, made accusations and complaints, and "fought for Slovakia's interests." He had plenty of opportunities: the transfer of power, budget regulations, grants for conversion programs, export licenses for arms, gas pipe, subsidies for mines, the water project on the Danube... His popularity in Slovakia skyrocketed after every conflict he stirred up, even if the pretext for the conflict was spurious. Slovak citizens were playing the role of a fan following his favorite player without knowing the rules or the point of the game. VPN officials were learning about the prime minister's decisions from the media and would smooth over his gaffes, half-truths, outbursts, and conflicts.

Week after week the same scenario repeated itself. In his television talk, the prime minister made improper disclosures, told half-truths, or made false accusations. The KDH and the DS became incensed by the public announcement that several ministries had been abolished without the consent of the government and the parliament, and the federal minister of interior could only helplessly reject the accusation that he had moved StB documents to Prague by force.

The KC VPN tried to improve cooperation by offering to provide advisers to the prime minister, but even that effort failed: Dr. P. Hollander left the Government Office after only a short time. The prime minister, for his part, tried to break up the KC VPN by making offers of profitable positions; for instance, he tried to persuade P. Zajac to accept a position in the diplomatic service.

The prime minister reacted to efforts to achieve cooperation and to admonitions in his own way: He stopped coming to the meetings of the VPN deputies' club (coordinating agency of members of the Cabinet, chairmen of the deputies' clubs, and the KC VPN). He

acted with suspicion toward the chairman of the movement, F. Gal, and SNR chairman F. Miklosko and avoided contacts with them.

The way Prime Minister Meciar conducted his political activity was becoming the key problem of the VPN movement. Unfolding parallel with it was the conflict with the radical malcontents in the movement.

At the same time, the tension among the public constantly threatened to lead to an explosion of discontent. Following the preliminary steps toward economic reform, the liberalization of prices took place at the beginning of the new year 1991. People watched the changing price tags in the stores in amazement: During the first four months of 1991, the jump in prices reached 50 percent. They were terrified by the specter of unemployment, inflation, and insecurity.

The dam of social demagoguery by opposition politicians burst. As early as December 1990, J. Prokes, deputy for the SNS, protested at the meeting of the SNR against the selling of national property to foreign capital, and deputies of the SDL assailed the federal character of the economic reform master plan. At the February meeting of the SNR, the deputy for the SNS, M. Andel, was giving lectures in macroeconomics to V. Klaus, and the deputy of the SDL was—what else?—calling the government to account.

During the winter months of 1991, M. Huba, an independent deputy, initiated the preposterous Tatragate affair with the help of red and green journalists. The problem of environmental protection was used to extract political capital, and the opposition parties gratefully accepted the opportunity to attack the government. They accused members of the government of failing to fulfill their statutory duties and of corruption, without providing any credible facts, but it was enough to discredit the government and the VPN in the eyes of the public.

Even the representatives of the governing coalition from the KDH began to call the economic reform into question: They spoke about the lack of social orientation in the economic reform and about their own version of the reform. They cited the economic miracle of the SR in wartime and drew on the knowledge of economic expert M. Tkac, with his idea of revaluating the Slovak koruna after liberation from the yoke of the common state.

At the beginning of 1991, the fragile solidarity of the government also began to fall apart. Following the transfer of federal powers, the prime minister asked Deputy Prime Minister Kucerak to present a proposal for streamlining the central agencies and thus also to meet the requirement of the government program to reduce the number of ministries. On 1 May 1991, Deputy Prime Minister Kucerak proposed combining the Ministry of Agriculture with the Ministry of Forestry and Water Management and abolishing the Ministry of Construction (DS), the Ministry of Trade (KDH), the

Ministry of Industry (DS), and the Ministry for Economic Strategy (R. Filkus, VPN). The ministers personally, but the KDH and the DS as entities, as well, objected and tried to justify the continued existence of their ministries. Deputy Prime Minister Kucerak, as the author of that proposal, all of a sudden had dissenters and potential adversaries in the government. Other ministers were also at risk: During the coalition discussion, the VPN expressed dissatisfaction with the work and the open criticism of the economic reform of the Minister of Labor and Social Affairs, S. Novak of the DS, and asked for his replacement; the KDH expressed dissatisfaction with the work of Minister M. Knazko of the VPN.

In January and February 1991, the VPN was making preparations for its congress. Okres-level congresses were under way, and it was obvious that there was a growing number of members "concerned that the VPN is not the vehicle that will fulfill their hopes," as Deputy V. Cecetka put it. They were worried about the declining attractiveness of the movement in the eyes of the public, especially as a result of the worsening economic and social situation and also because of its inability to deal with the old structures. On one hand, there were growing fears, especially in the mixed areas, of the spreading nationalism, and, on the other, there were increasing demands that the VPN make a more radical move, closer to the idea of national emancipation. There was criticism of the VPN leadership, especially of the KC VPN and the chairman of the Slovak Council, F. Gal, who were held responsible for the loss of the movement's popularity. During the discussions, two basic streams in the movement began to form themselves.

The first, supportive of F. Gal, oriented toward a thoroughgoing economic reform and a common state, a stream that saw the embodiment of sovereignty in a common democratic federation, held the national program to be of equal importance with the other parts of the program, aimed at creating the conditions for the development of a national community within the framework of guarantees of civil and human rights. As for political methods, it chose dialogue over conflict, preferred cooperation in solving substantive problems, and rejected the principle of a "leader." That stream promoted the view that the movement should be transformed into a party with a more detailed program.

The second stream, taking up positions behind V. Meciar, looked for simple solutions to complicated questions, often with contradictory aims and consequences: It emphasized the responsibility of the state for the development of the economy and for moderating the social impact of the economic reform on the populace (without a clear explanation of the measures); put "national specifics" in the forefront and cast doubts on the economic reform; gave priority to the status of the state-forming nation in relation to minorities; demanded a radical solution of the relationship between the national republics without regard to the conditions under which a common state functions (sovereignty as

well as a common state); gave more importance to superficial symbols over the development of the national community itself; demanded harsh measures against the old structures, according to the model of the old cadres; and so on. As for political methods, it favored radicalism and the confrontational methods of the prime minister. Its supporters shared an uncritical admiration of the "leader" and gave indications of trying to preserve a broad, shapeless movement, working in the interest of the nation and the people.

In spite of the differences of views, the majority of the members and officials agreed that the movement has not yet exhausted all of the possibilities and that, even given the diversity of views, the unity of the movement must be preserved. That idea also prevailed at the congress at the end of February 1991. The movement did not split, F. Gal was confirmed as chairman, and his adherents expected that members would respect the democratically made decision of the congress. V. Meciar, the candidate who was not elected as chairman of the movement, announced immediately after the conclusion of the congress that differentiation in the VPN would continue.

As experience tells us, there are three degrees of enmity in politics: enemy, mortal enemy, and a colleague from one's own political party. Before long, members of the VPN movement had the opportunity to learn how true that is.

### Explosion of Anger

Two days after the discussions at the VPN congress, Prime Minister Meciar accused Deputy Prime Minister Kucerak of having cooperated with the former StB, perfidiously citing information provided by F. Gal. One week after the congress Minister Knazko appeared on television—after having discussed it and agreeing on it with the prime minister—and accused the KC VPN of attempting to censor the prime minister's television address, as well as of an attempt to remove the prime minister from office in October 1990. According to Knazko, the basic conflict in the VPN movement had to do with the stance on sovereign Slovak politics because Meciar is a proponent of independent Slovak politics and the KC VPN, and its adherents are a tool of foreign forces.

After the discussions in the VPN Slovak Council on 5 March 1991 about the crisis in the movement, V. Meciar and his followers left the discussions and established their own VPN platform—For Independent Slovakia [ZDS]. Immediately after that, Meciar rejected the resolutions of the VPN congress and challenged the legitimacy of the elected officials of the movement. During further discussions in the VPN Slovak Council, the majority of which did not join Meciar, the decision was made: The Slovak Council did not consider Meciar and Knazko to be representatives of the VPN in the government, and VPN deputies would start proceedings to recall them from their posts.

It is not known what led Meciar to that sudden, decisive strike against the VPN structures. It could have been merely his characteristic, impulsive outburst of anger, without a thought given to the consequences, but maybe also a deliberate attack, propelled by fear of social unrest as a consequence of the frighteningly skyrocketing prices, when he became afraid that the economic reform would lead to ruin. It is possible that, as a power-hungry politician, he realized that the social base of the government would naturally narrow during the transformation, that rational arguments no longer worked with the public, and that, to hold on to power, he needed to provide scope for nationalist and social demagoguery, to which the KC VPN and its supporters presented an obstacle. Most likely, the answer lay in a combination of all of those reasons. What is certain is that Meciar became alarmed at the unexpected turn the situation had taken and began to look for a possible compromise. However, his appeals (even his joint appeal with A. Dubcek, for example) were no longer effective. After the past experiences, everyone knew that they were insincere, that there would be only a temporary truce, during which he would gather strength and attack in an even more contemptible manner to achieve his end.

Knazko's arguments in his television address were sheer lies aimed at confusing the public and presenting the attack as defense of national interests. The accusation of trying to censor the prime minister was nonsense because his television appearances had for a long time been an irritant not only to the KC VPN but also to the government and the coalition. There were countless discussions about them at all levels. For example, at the 22 January 1991 Cabinet meeting, First Deputy Prime Minister J. Carnogursky objected to the prime minister's last speech, in which he announced the liquidation of several ministries. The prime minister replied in his usual arrogant manner: "I will not ask you, KDH, what I may talk about in public!" No wonder that, already on 19 March 1991, after the shift of forces in the government, the government resolved to practically cancel the prime minister's television talks and decided that members of the Cabinet would take turns on a weekly basis.

The accusation leveled at the KC VPN, that it tried to remove the prime minister in October, was a deception. Slovakia was without a prime minister for 48 hours only because of the blackmailing practices of the prime minister, and members of the KC VPN—F. Gal, personally—were precisely the ones who made an enormous effort (even though with a heavy heart) to find the prime minister and persuade him to resume his function.

Meciar's attack on Kucerak could have been expected. Deputy Prime Minister Kucerak had already gotten onto the prime minister's "transfer list" several weeks earlier, for two reasons. After one discussion among the members of the government about improving cooperation between the government and the movement's leadership, J. Kucerak informed several KC VPN members of his doubts about the purpose of the proposals. The KC VPN members conferred confidentially about the issue with

M. Kovac, who did not lose any time telling Meciar about Kucerak's stand on the proposals. Moreover, Kucerak, as a rationally thinking man, was the first member of government to openly criticize the use of half-truths and Meciar's confrontational politics. Such a loss of devotion was not forgotten by the prime minister. When the opportunity presented itself to accuse Kucerak of having cooperated with the StB, he did not hesitate, even though he had no proof. He knew that it was an effective method because, in the tense atmosphere of that time, even unsubstantiated accusations left their mark. (For weeks afterward, anyone traveling down the main road to Zdiar nad Hronem, Meciar's beloved native area, could see yard-high letters on the side of a cowshed that spelled: Kucerak—*estebak* [StB man].)

Although the prime minister ostensibly presented himself as a strong opponent of vetting and demanded that the StB archives be burned, he made use of his own personal sources of information. He made a thorough purge of the employees at the Government Office; when I asked Mrs. Nagyova, his chief of the secretariat, where the director of the press section, J. Comaj, and the press secretary, M. Hric, and others were, she replied that they had to go "because they were all StB men." He used his knowledge of StB records and documents to justify his negative attitude toward the vetting process but, at the same time, liked to boast that he knew about the cooperation of specific people from the ranks of the Catholic clergy, journalists, Matica Slovenska, artists, and politicians with the former StB. For example, at a meeting with the editors in chief of Slovak dailies and radio and television directors, his arguments were all about the need for tolerance toward people from the former regime and also about the unreliability of StB documentation. He quoted from the file on J. Budaj, which he had seen. In January 1991, he interrupted the Cabinet meeting and demanded an explanation from two ministers because, he said, he had just received specific information on how they cooperated with the StB, and even about the rewards they received for their cooperation.

It was precisely because of the uncontrolled leaks of such information and their misuse that the VPN demanded a proper legal framework for the vetting process, even though, unfortunately, the final form of the law still did not, thanks to the radicals, prevent mistakes from being made. That Prime Minister Meciar used the stolen StB documents for his own purposes is best attested to by the offer he made to one of the accused ministers: When the political crisis was at its height and Meciar needed allies, he called in Minister L. Kost and told him that the original accusation was not proved and that he hoped that Kost would be on his side. And, after he was removed from office, Meciar was not at all bothered by the unreliability of the StB documents. At a press conference, he personally produced the stolen file of then SNR Deputy Chairman I. Carnogursky, and later R. Hofbauer, the deputy of the HZDS, publicly turned over its copy to the SNR Presidium at the SNR meeting.

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[Text] Implementing the resolution of the VPN Slovak Council of 16 March 1991 to recall Meciar and Knazko was no simple matter. According to the Constitution, recalling members of the government belongs under the jurisdiction of the SNR Presidium, and, to obtain a majority, the support of the KDH deputies was essential. However, the KDH representatives were justifiably careful and noncommittal, being aware that removing an extraordinarily popular prime minister would cause a storm of protest. It took almost five weeks before the decision was made, and all that time the KDH position was uncertain. On one hand, there were the undemocratic methods of the prime minister and his obviously hostile attitude toward the KDH, but, on the other, at least some of the KDH representatives were sympathetic with his decisive stance toward the federal officials and his challenge of the economic reform. In the meantime, a bitter struggle was waged in the information arena, in the structures of the VPN movement, in the government, and in the parliament.

Prime Minister Meciar tried to explain the split in the VPN as a difference of opinion on the national program and the economic reform. However, the speaker for the VPN-ZDS platform, R. Zelenay, announced on the occasion of its founding that "the VPN-ZDS is in favor of a common Czech-Slovak state based on just principles and equality of both of its entities" (NARODNA OBRODA 13 March 1991). Another founding member of the VPN-ZDS platform, Minister M. Kovac, was still defending the reform at the February meeting of SNR against attacks by SDL Deputy P. Weiss, and Minister R. Filkus, at the March meeting of the SNR, stated that "he does not feel there is any split in the government."

#### V. Meciar Versus J. Kucerak

That is why the prime minister sought to discredit, especially on the professional side, his opponents in the government, particularly Deputy Prime Minister J. Kucerak. He asked him to arrange a seminar on the economic reform to be attended by all of the critics of the reform, beginning with NEZES [Independent Association of Slovak Economists] and ending with representatives of the opposition parties. The seminar on 5 April 1991 did not bring the expected results because the representatives of NEZES were unable to submit a single concrete proposal and neither were the other critics. Minister of Finance M. Kovac emphasized that he was a proponent of a radical economic reform and, as a deputy in the Federal Assembly, voted in favor of its master plan. He thought that the same master plan for both republics was correct and necessary but, in view of the different quality of the CR and SR economies, measures would have to be sought to adapt the Slovak economy to the changes in such a way that the rate of the reform would stay within the limits of social peace. Minister Filkus rejected the term national specifics and pointed out the need to talk about other solutions for the Slovak economy.

A similar position was taken by Minister Filkus at the meeting of the SR Economic Council several days later, on 12 April 1991. The topic of discussion was the key document of the government, "Coordination of the Course of the Economic Reform," which was submitted by Deputy Prime Minister Kucerak. The government at the same time discussed a report by Minister for Economic Strategy Filkus on the economic reform of the Slovak economy. All participants in the discussions concluded that those were two documents that complemented each other and were not contradictory, and recommended that the government debate them. Once again, Prime Minister Meciar was unsuccessful.

Four days later, on 16 April 1991, when a debate of the two documents was on the government's agenda, Minister Filkus unexpectedly withdrew his report from the debate (obviously after discussing it with the prime minister), explaining that he did not want the report to be taken as a view opposing the report of Deputy Prime Minister Kucerak. The real reason soon became obvious. In a dramatic speech, the prime minister denounced the report on economic reform as "a concept that spells disaster for the government, is full of grave defects and wrong views, and will lead to people's discontent and the ruin of the state." He proposed that the report be rejected, and Minister Filkus was asked to prepare a new one that would respect national specifics. During the debate, many ministers changed their opinion and went against the previous debate in the Economic Council. Of course, had the original report by Minister Filkus been debated at the same time, that maneuver by the prime minister would have been more difficult because the conclusions of Minister Filkus would have to have been condemned as well. The prime minister's proposal was approved by members of the government from the VPN-ZDS, the KDH, and the DS. When Deputy Prime Minister Kucerak objected to Minister Filkus that nothing was preventing him from working out proposals for the concretization of the reform's course, Filkus replied: "What do you expect when you proposed to abolish my ministry?"

It was precisely the dispute over the future of individual ministries that gave the prime minister the weapon with which to gain the support of other members of the government because he intimated that Deputy Prime Minister Kucerak's original proposal need not be implemented. He gained the support of ministers from the DS and the KDH, whose stance influenced the results of the coalition debate on removing the prime minister from office.

The atmosphere in the government became unbearable, especially after the SNR meeting on 20 March 1991, in which I openly took the prime minister to task for his lies, deceptions, and behavior. He was already giving the impression of a totally exhausted man: In the morning he was usually irritated to the point of insanity, about lunchtime he began to calm down, and, at the end of the debate, he was euphoric and self-satisfied. But he did not cease to use his method of provocation and confrontation.

Immediately at the beginning of the meeting of the SR Government on 26 March 1991, he announced in a state of excitement that on that very day the Federal Assembly would debate a proposed amendment to the law on land ownership, which would mean that, in Slovakia, property would be returned to traitors and Hungarians from whom it was confiscated after 1945. It amounted to a conspiracy against the interests of the Slovak nation, and the government was duty-bound to immediately lodge a sharp protest. At the same time, he cast an accusation at the chairman of the Chamber of Nations, VPN Deputy M. Sutovec, that the draft amendment was the result of his agreement with the Hungarian deputies in the parliament. When I objected that the situation did not have to be dramatized but that it should be verified with the Federal Assembly because the reality was obviously different, the prime minister rejected my suggestion. In spite of that, I personally checked up on the situation and, at about lunchtime, informed the government that the prime minister's account was in error and that no amendment to the draft law would be debated in the Federal Assembly. The members of the government took my explanation under advisement, and the prime minister merely grumbled: "Let's hope that is the way it is!" But a little later, during the lunch recess, he purposely repeated his false accusations on radio and television and also immediately looked for enemies of the Slovak nation: "Who is trying to foist on Slovakia such rehabilitation measures, when no one is thinking about them in the Czech Republic or anywhere in Europe?" His statement received wide publicity, and the prime minister again saved Slovaks from the intrigues of their enemies. (Later in the afternoon, the prime minister glowed with satisfaction and jovially said to the Cabinet members that he would have the sauna steamed up so that they could recover from the day-long debate. Only Minister of Trade Chren showed an interest. During a break I asked him: "Mr. Minister, the case of Minister Andras, who took baths with the prime minister in the Trencianske Teplice spa, was not enough for you? In a sauna, you could even suffocate." Minister Chren froze but, in the end, nothing came of the sauna offer.) In the evening, just before the conclusion of the meeting, I asked that the tape recording of the debate be turned over to the SNR Presidium for evaluation of the prime minister's intentional provocation in connection with the amendment to the law on land ownership. There was a sudden hush in the room. The prime minister then jumped up from behind his table, shouted, struck the table with some documents, and, without concluding the debate, ran out of the meeting hall.

That tape recording served as a working paper for the SNR Presidium, which, according to the SNR resolution, was to examine the prime minister's statements, the abuse of StB documents, his trips abroad, and the overall functioning of the government.

At that time, Prime Minister Meciar made another attempt to gain the support of coalition members (KDH and DS) against his rivals in the government from the

ranks of the original VPN movement. After a long delay, he arrived on 10 April 1991 to a coalition debate on the drafting of the Constitutions and the streamlining of the central agencies. He presented the KDH and the DS with this offer: The reorganization of the government need not be carried out according to the proposal of Deputy Prime Minister Kucerak that calls for a reduction of the number of ministries, but a better functioning of the government could be achieved by abolishing the positions of deputy prime ministers (by which he could get rid of J. Kucerak, V. Ondrus, and G. Zaszlos), the number of ministries could remain as they were, a ministry of transportation could even be added, and the coordination of the economic reform would be taken over by Minister for Economic Strategy R. Filkus. Even though that offer was tempting to the KDH and the DS, a decision was postponed. The KDH representatives wanted to wait for the conclusions of the SNR Presidium on the functioning of the government. The Presidium had 14 days left to make its decision—until the SNR meeting. I emphasized that the SNR Presidium should arrive at a decision on the basis of evaluated facts because that was not about an internal conflict within the VPN movement but about methods used by politicians in a nascent democracy. KDH Chairman J. Carnogursky remarked soberly that "not words but numbers in the SNR are decisive," the number of deputies' votes. I was not able to agree with him.

On Sunday, 14 April 1991, the chairman of the Federal Assembly, A. Dubcek, came to the KC VPN to discuss the situation. Participating in the discussion were F. Gal, F. Miklosko, and V. Ondrus. Influenced by the right-left division of the parties in the Federal Assembly, Dubcek definitely did not tend to favor the part of the VPN represented by F. Gal, but he was aware of the impending breakup of the coalition in Slovakia and realized its consequences. He urged us to look for a compromise, which meant conciliation with Prime Minister Meciar. After we explained the circumstances of the conflict with Meciar, Dubcek commented that he understood our attitude but that, in spite of that, we should try to maintain cooperation between the two VPN platforms and not enter into confrontation by attempting to recall the prime minister. "I am afraid that, in that case, Meciar will break up the state," he prophesized clairvoyantly. He departed disappointed and troubled.

In the middle of April, it was already obvious to the SNR Presidium that the government could no longer function that way. The prime minister submitted a report (positive) on how the government program was being carried out, only to refute it two days later because he wanted to prove that the stumbling block in the government was J. Kucerak and the other deputy prime ministers, who were working "against him." (In that connection, a member of the SNR Presidium, P. Tatar, suggested that psychologists or psychiatrists give their opinion on the prime

minister's incessant deceptions. His comment caused a storm of anger among the prime minister's followers. Tatar then had to clarify his statement and remarked that he did not ask for the prime minister to be treated by psychiatrists because character flaws are incurable. Two years later, the SR minister of foreign affairs, M. Knazko, put it more diplomatically: "These radical and untrue statements attest to an emotional inability to cope with complicated situations. And to such people I recommend a better life-style" (SME, 28 January 1993).

Many of the reservations against the prime minister were confirmed after the investigation was carried out by SNR committees. On 20 April 1991, the SNR Presidium announced its conclusion that the government was not functional. It approved the report on the internal political situation, in which it referred to the machinations with StB documents, the poorly planned foreign trips, the prime minister's irresponsible statements, the disagreements among members of the government, the failure to carry out the announced government program, and the inability of the government to function, which requires changes in its composition. Overall, the report sounded unconvincing because it emphasized "a catastrophic economic situation and the negative social consequences of the economic reform," by which it cast doubt on the working of the government and, in essence, confirmed the criticism of the opposition. The concept of the report detracted attention from the substance of the conflict: democratic methods in the activities of politicians.

The thrust of the report was the result of a compromise with the KDH, but accepting it in such a form was a grave political mistake by the VPN, even if otherwise the crisis would have been prolonged. The report suited the purpose of the part of the KDH headed by J. Klepac, which itself was casting doubt on the economic reform. It opened up the opportunity to express a lack of confidence in Deputy Prime Minister Kucerak and made it possible for the KDH to demand further changes in the government, weakening the VPN. Most of all, however, the report did not convince the public that there were reasons for removing the prime minister from office.

The report of the SNR Presidium strove to placate the disgruntled citizens and throw them a sacrificial lamb for the bad economic situation. Members of the SNR Presidium were under the illusion that the public would thus accept the decision more easily. But the opposite happened: They only gave ammunition to the opposition and brought about general discontent and a wave of protests. But it can be assumed with justification that the discontent and protests could not have been prevented in any case. Later, after extensive findings of the SNR Defense and Security Committee were made public, the revelations did not stop the opposition from glorifying Meciar, and the lack of civic and moral values in a politician of Meciar's type did not bother much of the public.

On 23 April 1991, the SNR Presidium recalled V. Meciar from his position as prime minister, and M. Knazko and other members of the government as ministers. At the same time, it abolished the position of deputy prime minister for economic management that I held and removed me from that position, according to the statement by members of the SNR Presidium, "in order to achieve a balance between the protagonists in the conflict in the eyes of the public." In reality, the reason was a compromise on the part of the VPN, which benefited the KDH. Even though the position of second deputy prime minister for economy had been unfortunate from the beginning because it led to an overlapping of authority, the VPN lost one vote in the government. Although no one had cast doubt on my work in the government or my stance in the conflict with the prime minister, and although, simultaneously with my recall, they offered me other positions at the head of central agencies, I continued working in the parliament until the 1992 elections. That is where the future was being decided because, without success in the 1992 elections, all positions would be only short-term.

#### Final Split

The day after the prime minister was recalled and Jan Carnogursky named SR prime minister, on 24 April 1991, there was a meeting of the SNR. Deputies from the VPN-ZDS and the entire opposition raised a storm of protest against the changes in the government. They proposed removing the SNR Presidium, which would have opened the way for Meciar's return. Even before submitting that proposal, opposition deputies submitted a proposal to cast a no-confidence vote against Deputy Prime Minister Kucerak. The proposal was put on the agenda as the fourth item.

After lunch, during the debate on the third item (interpellations and questions by deputies), SNR Chairman F. Miklosko informed the parliament that, during the break, he received letters from Ministers M. Kovac and R. Filkus, in which they tendered their resignations (without giving a reason). At a special session, the SNR Presidium decided not to accept the resignations, and both ministers remained in the government. What happened during that recess?

The two ministers came to see SNR Chairman Miklosko and told him that, according to an agreement with the representatives of the VPN-ZDS, they were to tender their resignation after Meciar's recall, but that they themselves had no problem with the government program and wanted to continue their work in the government. Although they were founders of the VPN-ZDS platform, that platform would become a constructive opposition within the VPN framework. The SNR chairman told them that, if they tendered their resignations, the SNR Presidium did not necessarily have to accept them—naturally, under the condition that they would carry out the government program and would not oppose the government. Both ministers agreed. They produced the letters of resignation and presented them

to the chairman. Miklosko informed the government deputies' club and Cabinet members about that proposal, and, after mutual agreement on such a course, he called a meeting of the SNR Presidium, in which its members approved the resolution not to accept the resignations.

Thus, the door was open for Ministers M. Kovac and R. Filkus to remain in their posts in either case. If the SNR Presidium were to be recalled and V. Meciar returned as prime minister, they had met his request and tendered their resignations. And, if the restructuring were unsuccessful and Meciar did not return, they would still remain members of the government.

Before two hours went by, the parliament began to debate the proposal for a vote of no confidence against Deputy Prime Minister Kucerak. And what those proposing it were concerned about was said at the very beginning by the SDL chairman, Deputy P. Weiss: "I am not, if you please, concerned about personalities. I am concerned about a certain concept of the reform...." And what was it that the deputy had against the reform and the economic policy of the government, for which Deputy Prime Minister Kucerak was responsible? "An economic policy that intentionally seeks mass unemployment...theatrical political gestures, beginning with the opening up of the borders...devaluation...plundering of the domestic market by foreigners...playing down the terrible decline of the economy...an artificially and unnecessarily created crisis in sales on the domestic market...a tightening of belts... poverty and despair...." Speaking in a similar vein were deputies of the SNS M. Andel and A. Hrnko, who denounced the reform because "it does not benefit the people when prices and unemployment rise." Even the deputy for the VPN-ZDS, M. Secansky, kept up the attacks. To Kucerak's defense came SNR Chairman Miklosko and Prime Minister Carnogursky, as well as other deputies and Cabinet members. Ministers Kovac and Filkus remained silent. They remained silent in spite of the fact that being denounced was the concept of economic reform and economic policy that they had coauthored and that they had thus far embraced.

It also must be said that the absurdity of Kucerak's defense and the concept of the economic reform became obvious, especially when compared with the conclusions contained in the report of the SNR Presidium that the government was not functional, which was approved by members of the governing coalition, and which, in fact, confirmed the conclusions of the opposition about the catastrophic economic situation. Opposition deputies did not fail to point out that contradiction.

In a secret ballot, SNR deputies gave a vote of no confidence to Deputy Prime Minister Kucerak but also to the concept of economic reform. Decisive were the votes of the opposition (SDL and SNS) and also the votes of some KDH deputies and the votes of the VPN-ZDS (the future HZDS) deputies. That is how they began their activity as a constructive opposition, still as

a part of the VPN. That is where the HZDS began to draw closer in its views toward their former political opponents from the SDL and the SNS and to cooperate with them.

The opposition succeeded in removing J. Kucerak from his post, but it did not achieve its main goal: The proposal to recall the SNR Presidium did not receive a sufficient number of votes. The recall of V. Meciar became final.

Toward the end of that week, on 27 April 1991, a special Republic-wide VPN congress took place. Speaking on behalf of the ZDS platform at the congress was M. Kovac. He proposed creating a legal framework for the two platforms by adopting new articles. The ZDS would be based on the program "Chance for Slovakia" and would become a constructive opposition. He was answered by J. Kucerak: He informed the delegates to the congress about the way in which the representatives of the "constructive opposition" tendered their resignations and how the ZDS deputies began to cooperate in the parliament with the opposition. He publicly called on both ministers to tender real resignations because they could not act as the opposition in the government. Minister Kovac grew red in the face and stated that they were ready to tender the resignations. At the congress, the final decision to split the VPN movement was made. According to the resolution of the congress, two individual political entities were created: the HZDS and the VPN.

It took several more weeks before the promise of Minister Kovac became reality. Gradually, it became obvious that the HZDS was taking on the profile of a radical opposition to the governing coalition and that its representatives could not remain in the government. They had to step down voluntarily or they would be removed. The SNR Presidium accepted the resignation of M. Kovac and R. Filkus on 18 May 1991.

#### Causes of the Fall

After the resignation of the two ministers, the HZDS leadership was complete: V. Meciar, M. Knazko, A.M. Huska, M. Kovac, R. Filkus. It could begin its victorious crusade for power. Lining up behind them were the radicals and malcontents from the original VPN movement and many new followers. They were attracted by the figure of a leader who promised to vanquish the enemy and fulfill every wish. It was precisely the simple solutions to complicated questions that brought them from the common state to its destruction, from the rejection of the economic reform to a helplessness in economic policy, from radical anticommunism to the restoration of the practices of the former regime.

But even supporters of other opposition parties were sympathetic toward the authoritarian leader. For more than two years, V. Meciar was the most popular politician in Slovakia.



What did those people have in common? Given the extent and the vagueness of their political ideas, it is more a question for a psychologist. But what certainly did not bother them about the leader was what a reader expressed so well, without resorting to political rhetoric, in March 1991 in a letter to the editor of the daily *NARODNA OBRODA*: "Mr. Meciar, I am afraid of you. You have crude humor, crude vocabulary, crude behavior. I would like us to live in a country where culture, intellect, and education will prevail over nastiness and hatred" (*NARODNA OBRODA*, 30 March 1991). It is not a flattering picture of the state of Slovak society.

The crisis of two years ago, in the spring of 1991, found well-prepared soil: anxiety, literally a panic, on the part of the people at the start of the economic reform caused by fear of the unknown, the fanning of the flames of nationalism during the adoption of the language law and the transfer of power, unfamiliarity with parliamentarism and democratic methods of political life, and purposeful disinformation of the forces who had a stake in what happened. Unquestionably, the main cause of the turmoil in society during the period of crisis was precisely the immaturity of political life, the lack of culture in the political environment, ranging from the unpreparedness of the citizens for life in a democracy to the helplessness of the emerging political parties, and, finally, to the behavior of the media because independence of the press does not mean merely a subtitle under the name of the newspaper; it also requires independence of thought. And journalists are no different from other citizens.

In spite of the fact that as long as two years ago almost everything had been told about V. Meciar and, during the entire two years up to the time of the elections, new proof of his undemocratic methods were published, people in Slovakia readily lined up behind their leader. In spite of the facts and of his acts, they did not see and did not want to see. Only the confrontation between promises and reality gradually opened their eyes.

It is possible to assume that Meciarism will not last long. It will be prevented from surviving by the foundations of democracy, which, even though threatened, still exist. Only irreparable consequences will remain, such as the breakup of the common state and the wandering on the road to democracy, prosperity, and Slovakia's cultural advancement. They will be the price paid for having succumbed to the leader.

#### \* Controversial HZDS Policies Reviewed

93CH0715A Prague *RESPEKT* in Slovak 23 May 93 p 3

[Commentary by Peter Schutz: "Slovak Problems and Pseudoproblems—Early Elections Would in Fact Be Premature"]

[Text] In Slovak politics, time is a runner with extremely long steps. An average week in Slovakia corresponds to a whole month measured by the stopwatch of civilized

democracies. Of course, not everywhere has a state been divided, and not everywhere do the people enjoy the good fortune of having Meciar govern the nation. However, this case involves something else: The Slovak citizens are often served—sometimes intentionally and sometimes not—ersatz issues whose solutions are presented as matters of life and death and consequently, then they deflect attention from the truly vital problems.

A current hit of the spring season is the struggle for appointments for the last two vacant "spots" at the highest level, which the HZDS [Movement for a Democratic Slovakia] inadvertently failed to usurp at the right moment, namely, the offices of the chairman of the Supreme Audit Bureau [NKU] and of the governor of the National Bank of Slovakia [NBS]. Naturally, at the center of attention are also the developments stemming from the division of the federal property. Another brand-new sensation is a trial balloon from the Executive Council of the SDL [Party of the Democratic Left] which is the first of serious party associations to offer the idea of early elections.

#### Meaningless Audit Bureau

The rivalry among the parties in the parliament for the office of the chief of the NKU must be considered from two points of view—namely, the material and the political. The former is an ersatz problem par excellence. Because the Knazko group has weakened the HZDS, the new power setup has also given the SDL a chance to attain that particular position. Because the media are constantly focusing on this problem and exaggerating its significance, the public is being told that this is a really matter of vital importance, although in the end it will be quite the same if the chief of the NKU is brought in by Meciar or Weiss, or, should a miracle happen, by anyone else.

That stems from the fact that under the existing conditions in Slovakia its executive power and state administration are practically uncontrollable. As for the close interconnection between the executive power and its potential control, the NKU is just a formality. The state enterprises which also should be under the jurisdiction of the NKU are controlled by the selfsame groups of influence and "competent managements" that had put their interests precisely into the hands of both these interested subjects. In other words: Today the long-range interests and objectives of both of the most powerful political parties in Slovakia are almost identical.

Even more significant is the political dimension of the duel for the NKU because its result will send a clear signal about the future alignment of the SDL, or as the case may be, indicate whether it will side with the rest of the opposition or on the contrary, with the governmental movement. Whether or not the SDL attains that particular office, by its longstanding interest in the NKU and by fighting for it, the SDL is inventing for itself the image of being in opposition. So what if this whole issue is



irrelevant? That fact in itself is relevant because then the SDL can side with Meciar in important decisionmaking on a dozen occasions without jeopardizing its own reputation.

On the contrary, the question of the governor of the NBS is no ersatz problem at all. If a serious, thoughtful expert gets appointed, then it would be the right time to put an end to the suicidal "neutral monetary policy" which the government has adopted in its economic program. In this connection, the attitudes of the HZDS and KDH [Christian Democratic Movement] are exceedingly characteristic. If the SDL gives up the Audit Bureau, the HZDS will support the SDL candidate for the office of the governor of the bank. Conversely, if the SDL will not compete for the position of the governor but will support Anton Vavro, the candidate of the KDH and possibly of the whole opposition, then the KDH is ready to vote for Lubomir Fogas, Weiss's nominee for the office of the NKU chief. These attitudes are symptomatic because they unambiguously demonstrate to what does the left and to what does the right ascribe more importance.

#### **Damocles's Sword of the Superzero Option**

Shortly after the debate about deputies' salaries we witness already for the second time a broader consensus on the Slovak scene about the decision by the Czech Government to issue stocks from the first stage also to Slovak shareholders and funds. Meciar himself welcomed that statement by the Klaus government but of course, he had to add his two bits: He announced to the nation that this signified a victory of his government in its fight for the rights of Slovakia's citizens.

However, another decision by the Czech Government is far less to Meciar's liking because it is intended to specify what exactly is included in the division of property. That is understandable because the moment which Meciar abhors the most is approaching: He will remain alone in the ring because his rival will not join in the next round of the fight.

The unpaid debt notwithstanding, the Czech side will undoubtedly feel relieved. After the trauma of Yugoslavia, the West does not want to hear or see any Oriental-type haggling in the immediate vicinity of its borders. It regards every hint of a conflict as a potential hotbed of explosion, and it does not care which side is in the right. It is not interested whether the number of the villages was eight or 21, and the know-how of the Czechoslovak federation makes it laugh. In case of any disagreements concerning the actual item-by-item division of property [between the two republics], the use of the superzero formula would be the only way for the Czech Republic to ensure that there would not be any doubt as to its orientation toward the West.

#### **Impassable Early Elections**

Quite a while ago any observer who follows with some attention the achievements made by the Slovak former communists in the political arena could recognize one of

their characteristic tactical maneuvers with which they often scored in the past. In the previous parliament it was a sight for sore eyes to watch how they would always initiate a debate or decision and then the HZDS and the SNS [Slovak National Party] on the one hand, and the ODU [Civic Democratic Union] and the KDH on the other, would usually start a bloody fight over it. The most impressive insults and invectives were hurled whenever TV cameras were present; that excited the nation. Once the sniping was in full force, it was always one of the trio—Weiss, Vtacnik, Fogas—who would ask to be recognized and who would assess the controversy wisely and thoughtfully from a higher perspective, act as a mediator, and propose a solution that had been prepared well in advance. Then the people would applaud.

The motion for early elections falls into this same category. Peter Weiss et al know full well that in the current parliament it would be impossible to reach the necessary three-fifths majority for a constitutional amendment. However, after the national council has opened this issue, the Weiss followers will emerge from this whole debate simon-pure and with flying colors.

The parties took up the challenge and spoke about it at their news conferences. Surprisingly, the KDH did not reject this alternative (although Carnogursky said just a month ago that early elections would solve nothing). Naturally, the HZDS alone prefers the status quo, while the SNS regards the government by a broader coalition as a better solution.

At a briefing offered by the Party of Conservative Democrats its chairman, Pavol Hagyar, let a real genie out of the bottle. He mentioned yet another way to announce early elections, namely, a petition signed by at least 350,000 citizens demanding a referendum on this particular issue. Provided that the petition is successful, which is possible, and that the subsequent referendum is successful, which is less probable, Slovakia is in for another year full of fun and games.

One thing is certain: To embark on such an adventure by staging three campaigns (petition, referendum, elections proper) is sheer short of insanity. One thing is more than uncertain: Would the early elections not be really premature because they would hardly achieve any fundamental changes in the current political arrangement of the Slovak parliament—except for palpably weakening the HZDS.

#### **\* Weiss Discusses SDL Congress Conclusions**

93CH0736A Bratislava NOVE SLOVO in Slovak No 24, 14 Jun 93 p 4

[Interview with SDL chairman Peter Weiss by Anna Lenicka; place and date not given: "We Have Much To Offer Slovakia"]

[Text] *The Second Congress of the SDL [Party of the Democratic Left] was awaited with understandable interest. By their ability to weigh political decisions as if*

*on a pharmacist's scale, which opponents often deride as equivocation, the SDL folks convinced us that they belong among those who will shuffle the cards on the Slovak political scene in the future as well. We discussed that and some highlights from the recent Zilina congress with Peter Weiss, the first man of Slovak democrats of the left.*

[Lenicka] You were the only one seeking the chairman's crown, which raises all kinds of speculations about remnants of the recent past. Was it actually that no one wanted to go to the mat with you?

[Weiss] Even before the congress, in the Executive Committee, I expressed my desire to have at least one candidate running against me, to which one member replied, "I'll make that candidate for you," suggesting ironically that offering a countercandidate pro forma made no sense. The situation simply developed as it did. What I see as important is that, in a democratic secret election, I received more than 90 percent of the vote. I would not have appreciated getting 99.9 percent because it is virtually impossible for any man to please everybody. It may also be that no other candidate emerged because, in the previous party leadership, there was not, and I believe in the new one will not be, any dispute about the basic political orientation. Surely we have and will continue to have disputes about specifics, but, in politics, that is normal. And, in fact, occupying this office at the present time is hardly an object of envy.

[Lenicka] Were you disappointed that fewer new faces than expected emerged in the party leadership?

[Weiss] There are new faces, and I am pleased that they are young people. Let me mention the lawyer Dana Martinkova from Presov, the confidence expressed in Robert Fico who is still under 30, Juraj Plesnik in Christ's years of age. I regret that we do not have at least one more woman. The delegates underestimated that matter somewhat; at the congress, there were ladies who would be capable of participating in political decisions on the highest level. For me, personally, it is important to see a broadening of the circle of people who will represent SDL policy, and also to begin preparing a new generation of politicians. We are taking concrete steps in that regard. For instance, we have decided to also invite to our Executive Committee meetings, as an observer, the president of the MDL [expansion not known].

[Lenicka] Stories that the party chiefs rushing to join the Socialist International may be way ahead of the membership base were not confirmed at the congress. How do you view that change, and what is and will be of decisive importance because of it?

[Weiss] I regard it as a great success of the congress that, in voting on the updated program "What the SDL Is Striving For," only two delegates raised their hands against. They were delegates I knew would do that. The simple fact is that they still judge some things emotionally. For me, the key ability is to carry on a certain realistic policy and have a backing in society. That involves not just a stable voter base but also a further

potential of sympathizers that could show up already in the next elections, and we have that. Moreover, we are not one of the parties that draw polarized opinions so that some would reject us totally, and others would give us uncritical admiration. But what is of importance is not only agreement of the membership base with the fundamental change and a new program orientation, but also the fact that we have something to offer Slovakia in concrete, practical approaches to problems. Look, other political parties, too, have held their congresses, but so far not one of them has adopted such a complex of programmatic documents as we have.

[Lenicka] Still, that does not necessarily mean that yours are better. How do they differ from similar documents adopted by the HZDS [Movement for a Democratic Slovakia], the SNS [Slovak National Party], and the KDH [Christian Democratic Movement]?

[Weiss] Primarily by their comprehensiveness and solidity of argument. Our economic program does not cater to wishful thinking, and, unlike others, we do not pretend that we alone could finance something, but we offer the concept of a macroregulation of the Slovak economy and specific priorities of economic policy, which, of course, require also material means for their resolution. But finding them within the sphere of the various departments is a matter of concrete discussions and concrete analyses and expert studies. The social program is very realistic and has one advantage over the social programs of the other parties: It proceeds from specific calculations and real potential of the economy and is systematically interlinked with the economic program. Moreover, we also have a comprehensive foreign-policy program looking 10 to 20 years ahead, which proceeds from understanding the basic state-political interest of the Slovak Republic [SR] in becoming integrated in European structures. This, too, is compatible with the economic program. Realism, substance, and comprehensiveness are the hallmarks of the SDL program approaches, and you will not find one whit of populism in them.

[Lenicka] But the citizens are rightly losing patience. They are sick and tired of the "faxing" of accusations and countering attacks from one briefing to another, denials of statements made by politicians shrieking that the gravity of the crisis requires cooperation but unable to agree among themselves. How would you explain it?

[Weiss] By the correlation of forces resulting from the democratic elections because there is an asymmetry in the parliament. On the one side, you have one-half of the parliament, now already minus eight quasi-independent deputies forming a new party, and, on the other, a programmatically disparate opposition that will find it hard to agree on anything—for programmatic reasons, not because the politicians do not like one another personally. At the same time, you have the government of one movement that has shown itself incapable of bearing the burden of government responsibility alone and especially of governing competently.

[Lenicka] You indicated a willingness to join the government, aware of all of the risks that could make you a lightning rod for the failures of government policy. Are you not afraid that that could discredit the Slovak left for many years to come? Indeed, not only the public but even the professionals do not perceive your motivation as an effort to share in responsibility but rather see behind it a pursuit of power.

[Weiss] The people who make such judgments do not take the trouble to come and ask for the real background of our political decisions. It is a pity; we are open to such discussions. If we were to proceed solely from our partisan interest, we could sit comfortably in opposition, hurl criticisms at the government for its missteps, and enjoy making political points from it. But, if the crisis is not halted, a situation may arise that will be hard to reverse in any reasonable period of time, and extraparlimentary elements may begin to enter into politics. Therefore, we regard it as the minimum duty of the government to find the courage to reconstruct itself and thus increase its credibility.

[Lenicka] The Slovak prime minister will not forgive you for having initiated a discussion about early elections, although your preference is rather for the creation of a broad coalition—but that, too, is replete with pitfalls.

[Weiss] The nature of the problems faced by the SR would require a well-thought-out long-term policy but also adoption of unpopular measures; but for that, one needs a different sort of backing in the parliament. After all, a conceptually sound policy cannot be conducted by a government that trembles before each National Council about whether one of its ministers might be recalled or a vote of no confidence be taken against it. From that follows our idea of a broader coalition. Should we fail to form it, the question arises: On the basis of what support does the government propose to carry on its policy? Indeed, it is impossible to forever take advantage of the responsible attitude of an opposition that does not want political destabilization. The SDL has at least two reasons: that it would not be a good idea to topple the government before the adoption of such basic decisions as joining the Council of Europe, signing the Association Agreement, and completing negotiations with the IMF and, second, that having at least some government is better than having none. Those who talk of an insufficiently vigorous stand of the SDL are forgetting what the alternative to an HZDS government is. If the HZDS goes into opposition—and that, too, could be expected in response to a vote of no confidence in the government—all of the other opposition forces would have to do the governing. Indeed, a lot of imagination would be required to merely put together a cabinet composed of M. Knazko's club, the MKDH [Hungarian Christian Democratic Movement], Egyutteles [Coexistence], the KDH, the SNS, and the SDL thrown in. Radical opinions or disagreement with critics can be voiced at press conferences. But bearing responsibility for real political decisions is another matter.

[Lenicka] Let us stop at one of them. The SDL program's course toward NATO evidently did not suit many participants of the Second Congress. At times, downright personal, confrontational polemics showed how very emotionally quite a few delegates perceive the course toward NATO. Don't you think that many left the congress unconvinced of the correctness of that step?

[Weiss] That is not a problem of the delegates; it is a problem of the opinion level of the entire Slovak society, which proceeds from certain experience it has learned. First, it is the experience of a bipolar world, where NATO as the enemy was facing the Warsaw Pact. That bipolar world has crumbled. NATO is the sole functioning military organization in Europe, founded not only on purely military principles but also on certain European values. Second, there is still here the trauma caused by the invasion of armies in 1968. So here we see a combination of pacifist and neutralist moods, which, however well-intentioned, are positively naive, with fear of again entering into a military grouping and losing freedom. But, as you said, there are emotional arguments not based on a sound analysis of the political and military forces in Europe. Moreover, if we want to enter Europe, something accepted by all delegates at the congress, we cannot do so with only one foot. If we want to become integrated in the European economic and political structures, we must resolve for ourselves the question of becoming integrated in the military security structures. Meanwhile, the present form of NATO, which has lost its enemy, will have to undergo change and reevaluate its doctrine.

But few have noticed an essential thing, that, while we perceive NATO as a certain reality, we also incline toward the view held by the Socialist International that the optimum solution for Europe and its security would be the creation of a cooperative security system that would also address the question of the security of Ukraine and Russia.

[Lenicka] The mass media left unmentioned your proposal for conducting an all-European dialogue on the problem of national minorities. Conversely, Gyula Horn's appeal to the SDL to help address the demands of our Hungarian minority, including autonomy, has found great echo.

[Weiss] The appeal for our help was unnecessary. We do have our nationalities program, which has retained validity since the Trenciansky congress, and, in line with it, we also offered proposals during the drafting of the SR Constitution. The difference is only in interpreting the binding European documents, especially of the Council of Europe. To equate the demands of national minorities with personal autonomy, which is a technical term brought to the Slovak political scene by Miklos Duray, is something we regard as inadequate because personal autonomy simply does not exist in the Council of Europe documents. That has caused embarrassment. We are ready to seek balanced solutions that will be accepted by both representatives of the Hungarian minorities and the

other political parties. Just as it is unacceptable if, say, the Slovak parties agree on a solution and foist it on the minorities, for instance in a constitutional act on their status and rights, so it is not possible for some representatives of the Hungarian national minority to assume the right to present their solutions as the only correct ones and reject any discussion of them, asserting that either you support them or you are against Slovakia's joining the Council of Europe. All of these activities, even if consisting of mere hints could be interpreted as an attempt to prevent Slovakia's entry into the Council of Europe, are harmful not only for members of the minority nationalities but also for Slovakia as a whole.

[Lenicka] There are no formal procedural obstacles to Slovakia's entry into the Council of Europe in June of this year, but what if the relatively strong Hungarian lobby shuffles the deck to our disadvantage?

[Weiss] It will depend on members of the Council of Europe whether they approach that issue in its full dimension because dramatizing the situation of the Hungarian minority and overlooking the broader contexts of the problem, which also include a Trianon trauma displayed by some politicians, could add to tensions, and that is something to avoid. Slovakia's membership in the Council of Europe will mean its full acceptance of all European documents. Thus, the national minorities will actually gain institutional remedies in case they are dissatisfied with their status. I believe that it is also in their own interest to literally push Slovakia into the Council of Europe.

#### \* Slovak Dailies Comment on Coalition Talks

##### \* NARODNA OBRODA

93CH0735A Bratislava NARODNA OBRODA in Slovak 15 Jun 93 p 1

[Unattributed article: "Opposition Parties Meet for the Third Time—Two-Partner Coalition Is No Solution"]

[Text] The leaders of the nongovernmental parties in the parliament met yesterday already for the third time to assess the current political situation in Slovakia. On that occasion the representatives of the SNS [Slovak National Party] informed their partners about the outcome of their negotiations with the HZDS [Movement for a Democratic Slovakia] and about the possibility of the SNS's participation in the government.

After the meeting, I. Simko, vice chairman of the KDH [Christian Democratic Movement], voiced his view that a coalition of the HZDS and the SNS would not resolve the complex political situation in Slovakia because it would not fundamentally change the process by which the government exercises power. As for the situation in the Ministry of Health, the nongovernmental parties continue to view it as critical.

About the still-vacant office of the governor of Slovakia's National Bank, the attending parties agreed that an

appointment for that post should be made without any further delay. They stated that a solution to this problem would be on the agenda at the next session of the parliament.

M. Ftacnik, vice chairman of the SDL [Party of the Democratic Left], noted that the opposition parties know of two candidates for the office of the chairman of the Supreme Audit Bureau of the Slovak Republic, namely, Jozef Stank [SDL] and Arpad Matejka, (HZDS). In accordance with their agreement concluded last week, they supported the SDL's candidate.

Furthermore, the representatives of the SNS, SDL, KDH, MKDH [Hungarian Christian Democratic Movement], Coexistence, and the Alliance of Democrats of the Slovak Republic discussed the ways of more methodical practice of proportional representation in elective offices in the National Council of the Slovak Republic.

#### \* SME

93CH0735B Bratislava SME in Slovak 25 Jun 93 pp 1-2

[Unattributed article: "SNS Vacillating Between Coalition and Opposition"]

[Text] Yesterday the nongovernmental parties (SNS [Slovak National Party], KDH [Christian Democratic Movement], the Alliance of Democrats, MKDH [Hungarian Christian Democratic Movement], Coexistence, and SDL [Party of the Democratic Left]) continued their discussion at another meeting, this time on the premises of the SDL. At its conclusion they adopted a statement by which the participants in the discussion acknowledged the report about the ongoing negotiations between the HZDS and the SNS concerning the possibility that the SNS may join the government; they agreed to seek support for the replacement of the head of Ministry of Health where in their view the situation is critical. On a preliminary basis they considered the possibility of more systematic practice of proportional representation in the elective offices in the National Council of the Slovak Republic (i.e., the chairman, the deputy chairmen, and the committee chairmen). Their next meeting will be held on 21 June.

At a news conference the representatives of the parties confirmed that they intended to follow their agreement about supporting the candidates for the offices of the chairman (J. Stank) and of the vice chairmen (P. Bielik, P. Sokol) of the Supreme Audit Bureau, although yesterday at the 12th hour the HZDS announced that its candidate for the office of chairman is A. Matejka. The report on the talks of the SNS with the HZDS disclosed that thus far, they had not reached any agreement on a coalition, and that they would meet again next week; thus, until an appropriate coalition agreement has been signed, the SNS would act as an opposition party. After the conclusion of the discussion we spoke with the participants.

**Milan Ftacnik, SDL:** "It is difficult for them because they are sitting on two stools. By that I mean that they must consider two viewpoints. They belong to the opposition, which they demonstrated by joining us, but, at the same time, they are now offered a role in the government. Therefore, they must weigh very carefully and decide once and for all which of those stools, or which of those options, to choose. They cannot be at the same time in the opposition as well as in the coalition; that is simply impossible. As for our party, we have unambiguously rejected any consideration of a two-partner coalition. If there is a three-party coalition, we would prefer a broader coalition, in other words, including at least the KDH."

**Ladislav Pittner, KDH:** "In their talks the nongovernmental political parties scored a really important point by overcoming Prime Minister Meciar's objections against a coalition government. I don't think that this was intentional or a dirty trick on the part of the SNS, but rather another symptom of the process in which our statehood is born and of our political coming of age."

**Pal Csaky, MKDH:** "In our view, the sequence of discussions was not appropriately chosen. If the SNS alleges that it is a member of the opposition, it should not be negotiating with the HZDS while the nongovernmental parties are holding roundtable talks; only after those talks should it appear at the forum of the opposition. The opposition should hold its discussions first and only then should the SNS deal with the representatives of the HZDS. I am not sure whether the talks between the SNS and the HZDS will end before the last session of the Slovak parliament, or whether this is just some kind of tactical maneuvering."

**Arpad Duka Zolyomy, Coexistence:** "We were anxious to see with what views our partner, the SNS, would emerge from its negotiations with the HZDS. So far the two parties have not come to any agreements, and will continue their talks in the coming days. The SNS promised to follow steps agreed upon by the nongovernmental political parties."

**Jan Budaj, Alliance of Democrats of the Slovak Republic:** "The SNS has not resolved the question whether in fact it will stay in the opposition or take part in the government with all the ensuing consequences. This affected the process of our talks. In spite of that, the dialogue went on uninterrupted and the politics of cooperation in Slovakia still has a chance."

\* SMENA

93CH0735C Bratislava SMENA in Slovak 15 Jun 93 p 1

[Interview with Ladislav Pittner, a member of the KDH Executive Committee, by Alena Melicharkova in Bratislava on 14 June: "When Things Get Difficult—Nongovernmental Parliamentary Parties and Movements Discussed Coalition Government Yesterday"]

[Text] *Now that the government of the Slovak Republic has been in office for one year, it is time for its overhaul.*

*Even the leadership of the HZDS [Movement for a Democratic Slovakia] in our republic is dissatisfied with the performance of two of the ministers. Not long ago the SNS [Slovak National Party], the main prospect for negotiations about coalition, voiced its dissatisfaction with at least five portfolios, although the SNS is interested in only two nominations and would not mind if the others were filled by experts from other parties. The Cernak group assumed that some other nongovernmental parliamentary groups would support this particular approach. That was one of the reasons for the hope that the talks held yesterday by the SDL [Slovak Democratic Left], KDH [Christian Democratic Movement], SNS, MKDH [Hungarian Christian Democratic Movement], Coexistence, and the Club of Independent Deputies, would issue an opinion about how the HZDS intends to resolve its government's minority status in the parliament.*

As Ladislav Pittner, a member of the KDH presidium, stated before the discussion, the KDH harbors considerable doubts about the aforementioned potential coalition of the HZDS with the SNS. In particular, it is curious about the SNS's views concerning the involvement of other parties in tacit or overt cooperation in the parliament. When asked whether the KDH intends to support the SNS in the government, he replied that it is the same as with its support for the HZDS. "We'll support only what is good," L. Pittner added.

[Melicharkova] In other words, you are against the HZDS-SNS coalition?

[Pittner] Not against, but it would surprise us if the SNS would fail to weigh also the potential risks involved in such a coalition.

[Melicharkova] The question of two ministerial appointments for the SNS is now out in the open. They would considerably strengthen the position of the nationalists....

[Pittner] However, that would mean a lot to V. Meciar because in exchange for those two nominations, he could gain 15 votes in the parliament.

[Melicharkova] But what would the SNS gain?

[Pittner] That is exactly what we would like to hear.

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The meeting of nongovernmental parties was originally scheduled for 1330 but it got started a bit later because the participants were coming in one by one. M. Knazko, who represented the Club of Independent Deputies, was escorted, among others, by Jan Budaj, who is not member of any party in the parliament. It was past 1400, but the representatives of the SNS had still not come for the talks. According to the scuttlebutt, they were discussing a coalition government with the HZDS. That information was confirmed by the SNS Vice Chairman Anton Hrnko who arrived at 1420. Among other things,

he told the journalists that they and the HZDS had not reached any specific decision. When asked whether the SNS was still with the opposition, he only sighed: "That's hard to tell." Furthermore, he admitted that following the decision of discussions by the HZDS representatives for the republic, the HZDS had offered the SNS two ministries. However, the SNS kept insisting that the government overhaul at least five ministerial offices. For that reason, they agreed to hold further talks.

After a debate of more than three hours, the representatives of the opposition parties in the Slovak parliament agreed, among other things, that they continued to regard the situation in the ministry of health as critical, and consequently, that they would seek support to replace the head of that ministry. The most important signal from the meeting yesterday may be that the participants made a preliminary assessment of their options for a more systematic practice of proportional representation in elective offices of the National Council of the Slovak Republic.

#### \* Problems of Transition to Capitalism Assessed

93CH0702B Bratislava HOSPODARSKE NOVINY in Slovak 28 May 93 p 10

[Interview with Igor Kosir, director of the Center for Strategic Studies of the Slovak Republic, by Frantisek Palko; place and date not given: "The Road From Socialism to Capitalism Is Yet To Be Traveled by Anyone"]

[Text] [Palko] Many political parties are coming up with their own concepts of Slovakia's economic policy. What, in your opinion, should be the essence of an economic policy to be adopted by our government and parliament?

[Kosir] The natural thing is that each political party and movement or their respective economic experts emphasize, above all, how different their concept of economic policy is from all others and advertise its guaranteed success, which seemingly needs only the "government" cachet. The recently publicized concepts of an economic policy have more in common than it appears from listening to brief expositions and commentaries. No political subject can derive profit from the experience of a tested model. As the present Polish prime minister put it in the spring of 1989, the road from socialism to capitalism has yet to be traveled by anyone. But there is some experience we can glean from our neighbors. Differences in the concepts of an economic policy offer a basis for dialogue and a search for optimum solutions, while the common features suggest a platform for greater cooperation within the political spectrum at the time of an anxious beginning of our new statehood. The shared feature of the concepts is that they are based on a short or medium-term strategy. The long-term strategy, if it is to be successful, must be European. And, in the main, its contours are being drawn by the strategic laboratories in the center of European integration. For us, this is a question of purposefulness, adaptation, and priorities.

Hence, the current economic policy must unequivocally stimulate continuation of the reform—that is, transformation of the economy with a growing share of a flexible, adaptable, and efficient private sector.

[Palko] Social policy, too, is a component of the government's economic policy. What weight do you assign to social policy, and which direction should it take?

[Kosir] Just as the labor market is an integral part of a market economy, social policy cannot be a mere appendage to it. Quite understandably, at a time of a complex transformation of the entire society, social policy is a very sensitive and important issue. Its room for maneuver is at the same time limited by the hemorrhaging economy—the shortage of money. Of importance will be not only a will to cooperate and to conduct a dialogue, spreading the sacrifice on the basis of tripartite accord, but, especially, specific programs for the support of small and medium-sized business, public works, and retraining to wipe out the growing unemployment. A social policy should plan for the long term by well-thought-out policies in the area of housing, health care and education. The issue here is not only such an important matter as social peace, but also the dynamics and overall success of the transformation.

[Palko] Both 1991 and 1992 were years of wage restriction. Doesn't it seem that the second half of 1993 and 1994 should bring some change?

[Kosir] Because it can be assumed that the stage of economic stabilization and gradual establishment of conditions for a revival will, because of complicating factors, extend well into 1994 and that we will notice signs of a moderate recovery only in the second half of that year, a wage expansion is really not on the current agenda.

[Palko] A certain degree of social dissatisfaction is palpable in our country. Isn't there a danger that social dissatisfaction will lead to a substantial deficit in the state budget?

[Kosir] Despite the fact that no one here could promise instant effect and an economic miracle, people are wont to believe in an early positive upturn. But that will come only when there is an upturn in labor productivity. We must guide our activities in that direction. Economic transformation in our conditions has a pronounced psychological aspect.

[Palko] In consequence of the gradual restructuring of our enterprises, one might expect a rapid decrease in unemployment. Do you believe that those effects of enterprise restructuring will already be noticeable this year?

[Kosir] Restructuring has already begun in selected enterprises because of the concrete pressures of economic reality, directly proportionate to the skills of the management, its purposefulness, foresight, and clarity of concept. But a mass restructuring will be speeded up only

by a more dynamic process of privatizing large enterprises and a follow-up development of small and medium-sized businesses. As a result of modifying application of the bankruptcy and settlement laws after their amendment, the most vulnerable have been given one more chance. For the last time. Even in a bankruptcy, one has to see elements of a new revitalization. Personally, I believe that the growing unemployment will have to be tackled at the start by mass support for small and medium-sized enterprises.

[Palko] Government economists and spokesmen for the central bank talk of a neutral monetary policy. How should one understand that term?

[Kosir] It is the issue of an inflation-neutral currency emission. That is, infusing blood into the economy so that it will not provoke running inflation. The volume of currency emission will be the result of a systematic monitoring of trends in the GDP [gross domestic product], inflation, and velocity in currency circulation. But the instrument of restriction may not be completely taken out of our hands in economic policy. It does not involve a radical departure from a restrictive to an expansive monetary policy.

[Palko] To what extent would devaluation of our currency contribute to a stabilization of money circulation?

[Kosir] One could analyze this influence in theory. In view of the predevaluation expectations that found fertile ground in discussions at the beginning of the year, I would leave the judgment of adequate instruments for a currency policy to experts from the Slovak National Bank, the SR Finance Ministry, and the IMF, who, according to agreement, will return to the problem of the entire economic policy and, on the basis of first-quarter results, will settle on a solution. Of importance is the partner relationship of the international financial institutions toward a new member. The issue of well-tested instruments of a currency policy needs to be resolved in a businesslike manner, without any dramatizing. That concerns devaluation, as well.

[Palko] How do you foresee the inflation trend in Slovakia?

[Kosir] Everything suggests a 20-to-30-percent annual inflation. There are many factors involved, both domestic and foreign.

[Palko] The engine of the economy is entrepreneurs. How would you evaluate the present conditions for entrepreneurs?

[Kosir] The existing conditions are proportionate to the current stage of transition to a market economy. Not even in conditions of a full-fledged and functioning market economy will enterprising not be without risk. A testimony to that fact are the notable changes in the number of businesses in the United States and other advanced countries, the ever-continuing number of them being started and ending in bankruptcy, the failure of

many others. Taking into account the importance of the entrepreneurial class in a market economy and its actual revival in our conditions, it will, however, be necessary that improving the conditions for enterprising be given extraordinary support by all interested parties. It seems that a highly constructive platform of activation is beginning to be developed by the Slovak Entrepreneurs Association.

[Palko] Entrepreneurial activities are being hampered by a lack of funds to provide commercial bank credits. Where do you see a remedy to the weak credit engagement of our banks?

[Kosir] That problem and its resolution have already been addressed in part at a conference of economic experts at Stara Tura. It turns out that greater success will bring a greater engagement of the foreign bank community in Slovakia. To achieve that, much is still to be done—for instance, by new credit ceilings for the Slovak National Bank in cooperation with commercial banks.

[Palko] The situation in Slovak industry is not at all favorable. It is, moreover, aggravated by EC quotas protecting West European producers from ours. How do you view such EC measures?

[Kosir] What it involves is the "nearest my shirt but nearer my skin" approach, to which we will have to become accustomed in the harsh competition on European and world markets. One has to recognize that all countries are suffering from worldwide recession. A look at the history of commercial relations between the largest trading powers—including within the EC—confirms that such measures of a protectionist nature are commonplace. Let us recognize that it is precisely such measures that lead to protracted negotiations in GATT. Of course, certain corrections and, thus, successes can sometimes be achieved by commercial diplomacy.

[Palko] How do you visualize the development of our economy in the short term? What is awaiting us, and what will we not be able to escape?

[Kosir] In the immediate future, we will have to resolve a number of cardinal problems: a conceptual resolution to the decline in mutual trade with the Czech Republic, which is a most topical problem also within the Customs Union Council; the problem of the proinflationary devaluation expectations; state budget trends; the preprivatization agony of economic subjects; the payment inability in the enterprise sphere; and the problem of the effect of the worldwide economic recession on our economy.

This year will still be one of efforts at achieving stabilization; we may expect a GDP decline in the 5-to-7-percent range, price increases of 20 to 30 percent, and a temporary increase in unemployment. Entering the fray will be bankruptcies of failing enterprises. A revitalization may be expected only in the second half of 1994. It will depend on restructuring the economy,



foreign capital inputs into our development projects (infrastructure, energy, tourist trade, modernized traditional production), and an increase in the importance of the private sector.

**\* Bankruptcy, Settlement Law Amendment Discussed**

93CH0702C Bratislava HOSPODARSKE NOVINY in Slovak 28 May 93 p 9

[Interview with Miroslav Danihel, director of the Labor Department of the Slovak Republic Ministry of Labor, Social Affairs and Family, by Lenka Tokarova; place and date not given: "Bankruptcies Stabilize the Labor Market. The Forthcoming Amendment to the Labor Law Will Tighten the Criteria"]

[Text] *During the past year, 3.8 billion Slovak korunas [Sk] were paid for an active employment policy. For this year, the Slovak Republic Ministry of Labor, Social Affairs and Family has been allocated Sk3 billion for its active and passive employment policy. Should the unemployment rate this year rise to the anticipated average of 17 percent, the ministry will have funds only for the payment of obligatory benefits to which the jobless are entitled. What remains for an active employment policy is some Sk800 million. We addressed the question of how the ministry will try to resolve the situation to Miroslav Danihel, director of its labor section.*

[Tokarova] Approval of the bankruptcy and settlement law means the liquidation of many unprofitable enterprises. In consequence, employees of those enterprises will be dismissed. What practical handling of the situation on the labor market do you envision after the bankruptcy law goes into effect?

[Danihel] The changes in employment that are sure to arise once the bankruptcy law goes into effect are of great importance for our department. Two years of the existence of something that used to be called a labor market did not actually represent a labor market; there was the impact of dismissing 900,000 people—in the first wave retirees, in the second mothers with children, and, in the third, people with low skills. Then we had small privatization and, even before that, conversion. Now we have large privatization and bankruptcies. Put simply, the labor market is not stabilized. And we really need it to come into balance as soon as possible. The department welcomes the fact that bankruptcies and large privatization are the last to add to the certain disharmony, instability, and unpredictability in the labor market. When the labor market becomes stabilized and the ministry knows how to proceed, it will be possible to apply the methods and tools of an employment policy to their full extent.

In the legislative area, we have prepared an amended law on employment, in which we want to respond to the present situation and, at the same time, foresee the coming state of affairs. Everywhere in the world where unemployment is rising, active measures are taken in

response. Labor offices are not preparing for an onrush of the jobless, whom they will register and to whom they will pay benefits, but, rather, are readying active measures. In our country, it is primarily retraining because, due to the bankruptcies, we will see a genuine restructuring of the Slovak economy. Therefore, the labor offices should plan ahead and, on the basis of changes in the structure of trades and professions, respond especially by preparing people for new professions. Another area in which the labor offices could exert strong influence is assistance in creating new job opportunities.

[Tokarova] We know from practical experience how important, from the perspective of an employment policy, is the sharing of information between labor offices and enterprises that are about to dismiss employees. A technical resolution of that problem surely is not simple.

[Danihel] The technical equipment of the labor offices is something with which we can be moderately satisfied. Each labor office has its own computer network, and there exists a program making record-keeping easier and facilitating payment of benefits on schedule by the 12th of the month. In regard to having an overview on the okres level, the office is capable of spotting and regularly offering up-to-date information on vacant jobs. A different matter is how and whether the labor offices are mutually interlinked. For such a network, covering the entire country, one needs not only the financing but also, and more important, provision of the necessary technical infrastructure. With our present telecommunication links and the technical state of our transportation services, that is simply not possible. We are addressing that problem because we regard it not only as urgent but also as important enough to demand a resolution. Therefore, we are gradually equipping each office with modems, which will enable them to be connected via the telephone net by computers during the night hours. But it would serve no useful purpose to have a 100-percent network reporting job vacancies in real time if the citizen is not assured of housing.

[Tokarova] In that connection, there is talk of legislation on the ownership of apartments and nonresidential space.

[Danihel] A law on the sale of apartments will create conditions providing a more realistic basis for labor mobility. Problematic will be also the price of an apartment. A third factor, which must also not be discounted, is the mentality of our nation. People are not accustomed to or willing to move from place to place. Last, it is also the high proportion of individual housing construction by which people are excessively bound to one place.

[Tokarova] Representatives of the World Bank who recently visited Slovakia pointed to social overstaffing in our enterprises. What is your view of that problem?

[Danihel] As long as the enterprises remain insolvent and the state supports them, the problem of overstaffing will last a long time.



[Tokarova] Is it of greater advantage to the state to keep up such enterprises or, rather, to pay unemployment benefits?

[Danihel] There is a limit somewhere. As long as the enterprise prospers but is in debt, while it is itself a creditor and its claims exceed its debts, it deserves to be supported in some manner. But it is a vicious circle. By giving money to the enterprise, we do not solve the problem of its customer who does not have money. And just when it begins producing for the warehouse, the enterprise ceases to make sense in the economic system. A state enterprise, the way it was managed and met its targets, and in the system it inherited, worked in a way that required overstaffing. If the state administers injections to such an enterprise, it only preserves overstaffing.

[Tokarova] Many people are exploiting the existing laws on employment policy and social benefits for personal gain and at the expense of the state. We can already talk of an underground economy.

[Danihel] No one in any country is able to estimate the size of the underground economy. But it exists. On the one hand, it robs the state of a sizable part of its budget revenues, and, on the other, it enables the citizen to satisfy needs he would otherwise obtain from the state. Activities carried on underground are probably very necessary in the state. So why is there no increased pressure for legalizing those activities? If someone employs a person off the books, it gives him greater advantage than employing him legally. A jobless person loses interest in honest work because he has concluded that it does not pay. He circumvents the law and harms the state.

[Tokarova] Will the government get tougher in that matter and seek penalties in the amended law on employment?

[Danihel] The amended law is unequivocal in defining the citizen's position vis-a-vis the labor office. It means an end to making money from entrepreneurial activities and simultaneously drawing benefits from the labor office. Until now, it was and still is very difficult and complicated to prove that the holder of a trade license actually engages in business. The amendment says that, as soon as the citizen becomes a business person, he is taken off the labor office records. If he cannot make a living from his business, he must terminate it and only then becomes entitled to social security benefits. That is a radical change in the law. Another change is deletion of the word "willfully" from the context "willfully obstructs cooperation with the labor office." The mere fact that he does not cooperate with the labor office is now sufficient. According to the amendment, labor offices will not register those who left their jobs without proper reason or because of violating labor discipline. If the unemployed person refuses a suitable job, he will be removed from the register. He becomes eligible for reregistration and benefits only after six months.

The change in several provisions of the law pursues two goals: primarily toughening the criteria for registration and eligibility for benefits, and integrating certain parts of other legal statutes and decrees so that we have a single law in the area of employment. We have incorporated in the amended law portions of the decree on retraining that will address questions of eligibility for benefits during the period of retraining. According to the law, school graduates will receive benefits for six months at the rate of 45 percent because, as students, they had not yet worked at a job. Because the labor market is not yet stabilized, it is very hard to adopt measures based on principle.

## Macedonia

### \* Serious Water Shortage Reported in Many Areas

93BA1051A Skopje VECER in Macedonian 17 May 93  
p 3

[Article by J. Pavlovski: "Planting and Irrigation: Thirsty Soil, Empty Reservoirs"]

[Text] *Runoff is below the long-range average, and reservoirs in the eastern part of country are without the necessary volume of water. The Bregalnica became a dead river after water drained into rice fields, and residents of Stip have no drinking water. The water supply situation is also critical in Strumica. The rainfall in May is expected to be 60 liters per square meter, and the soil moisture situation will not improve. There is a reorientation toward crops absorbing less water.*

Although delayed, the planting operations are proceeding on schedule in almost all farming regions. The operations will probably be completed during the optimum period. There are no particular problems to prevent it. Enough seed has been provided for all crops, as have resources for growing crops and for plant protection, along with liquid fuel for machines.

In this connection 180 million dinars have been approved for financing the planting of selective crops (wheat, sugar beets, sunflower, and tobacco). According to an official in the Ministry of Agriculture, Forestry, and Water Resource Management, planting has now been completed on about 70 percent of the scheduled 271,554 hectares in Macedonia.

### Long-Term Average

In contrast to the good progress of planting activities and confidence that farmers will not be faced with a shortage of production supplies for farming operations, they will experience the problem of a shortage of water for irrigating crops. Even ground water is below the critical level.

The director of the National Water Resource Administration of the Ministry of Agriculture, Forestry, and Water Resource Management, Voislav Popov, states that the impounded water situation is not just critical, it is alarming. In Eastern Macedonia in particular, not only is there no water in reservoirs for irrigation, but in some regions the public water supply is threatened. The most critical situation is in Stip and Strumica.

The water level in the Kalimanci reservoir is in effect below all previous averages. Precisely for this reason the rice farmers of Kocani, Stip, and other localities, where the Bregalnica irrigation and drainage system is in operation, have diverted almost all the water in the Bregalnica River into rice fields and the Bregalnica has become a dead river in which the young fish have died out. This

is why subsurface water is diminishing, wells are drying up, and at this time of the year Stip is without water at least 12 hours a day.

The situation is even more difficult in the Strumica reservoirs. In Vodoca, which has a capacity of 47 million cubic meters, only 1.1 million of water have accumulated and farmers, gardeners in particular, are thinking of switching to crops that require less water. As for Turija, it has only 3.5 million cubic meters of water, and the public water supply is being very carefully conserved. This situation is no better in the Gevgelija-Valandovo region, in which there is hardly a drop of water in the Paljurci reservoir, while in Pesterica there are only 1.4 million cubic meters, as against a capacity of 45 million. Strezevo is in the best position; at the beginning of this month it had a reserve of 83 cubic meters of water, in comparison to its capacity of 108 million.

### A Long, Dry Period

We have a long cold period behind us, one which the meteorologists say was not rich in precipitation, with the exception of the western part of the country, where the smallest amount of water is used to water crops. Engineer Josif Milevski, hydrometeorologist at the National Hydrometeorological Institute of Macedonia, says that the precipitation in the country was below the long-term average from October to the end of April. At present, although the snow is still melting in the mountains, the average flow of water into streams will be below the long-term average. This will affect the minimum levels reached in the reservoirs, and this also means less water for irrigation.

Measurements have shown that in April 85.2 million cubic meters flowed into Lake Debar, 53.4 million into Lake Tikves, and 48.9 million into Lake Mavrovsko. To some extent this is good, but there has been much less in the reservoirs in the eastern part of the country, and there have even been only token amounts of inflow. Over this period only 9.2 million cubic meters flowed into the Kalimanci reservoir, 860,000 into the Turija reservoir, in Mantovo the amount was even so small that it could not be measured, and 3.6 million cubic meters flowed into the Globocica reservoir.

The situation is somewhat better this month. Between 4 and 5 May, according to the measurements of the National Hydrometeorological Institute of Macedonia, the total amount of water reaching Lake Tikves was 127.8 million, Lake Mavrovsko 64.7 million, Lake Debar 119 million, Globocica 6.96 million, Kalimanci 35.3 million (the capacity is 120 million), and Turija only 2.93 million, while only insignificant amounts reached Vodoca, Mantovo, and other Eastern Macedonian reservoirs. All this clearly indicates that even with the rainy May (the weather forecasters expect precipitation of 60 liters per square meter) the water level situation in the reservoirs will be a poor one and irrigation of certain crops, chiefly vegetables and rice, will be problematic, as will also the harvest anticipated.

[Box, p 3]

#### **Drinking Water Conference Starts Today in Warsaw**

A three-day European conference on the public drinking water supply situation and related problems began today in Warsaw. The conference is one of the EC activities aimed at ecological reconstruction of the countries of Eastern and Central Europe.

This conference was attended by two representatives of the Movement of Ecologists of Macedonia (DEM), School of Construction professors Dr. Zivko Skoklevski and Dr. Zivko Veljanoski. In addition to active participation in the technical part of the conference, they will also present the activities of the DEM in the second part, which is to be devoted to the influence of nongovernmental ecological organizations on government agencies.

—M.I.

[Box, p 3]

#### **Important Result of Most Recent Rainfall in Gevgelija: Crops Refreshed**

*Empty reservoirs are beginning to refill, and the level of Lake Dojran has begun to rise after a long interval.*

Gevgelija, 17 May. The recent rainfall in the Gevgelija area has made a great contribution to revitalization of crops and intensification of spring planting. It has especially helped in setting out tobacco plants, now in full swing. The rainfall of 50 liters of water per square meter has started filling empty irrigation reservoirs, and the level of Lake Dojran has risen about 10 centimeters. Even so, it still is around 130 centimeters below the zero mark, the critical point for the lake and for the animal and plant life in the lake.

The National Water Resource Management Office has made a study of the possibility of diverting water from Mount Kozuv to Lake Dojran. It has also been announced that Macedonian and Greek experts will hold a meeting next month to discuss measures for protecting Lake Dojran from ecological disaster.

—T.K.

#### **\* Discrimination Against Macedonian Wine in Slovenia**

93BA1051C Skopje VECER in Macedonian 13 May 93 pp 8-9

[Article by J.P.: "While Slovene Firms Seek Our Wine, the Slovene Government Blocks It With High Duties; Discrimination Against Macedonian Beverage"]

[Text] *In the past Macedonia traditionally delivered around 3,500 carloads of wine to Slovenia, which Slovene vintners used to upgrade their own wine intended for export. This collaboration was ended by institution of a*

*customs duty of 100 percent by the Slovene government exclusively for Macedonian wine.*

Slovene firms in the area of winemaking continue to react to the Slovene government decision made at the end of 1992 to introduce customs duty for Macedonian wines imported into Slovenia. This places the Macedonian wines in an unequal position relative to similar products imported from other West European countries. Unless this matter is promptly resolved, and this is a matter of vital interest to Slovene vintners, these vintners will keep on urging the Macedonian government to take countermeasures applied to goods imported from Slovenia, primarily drugs and white goods, video and radio sound equipment.

#### **Concern**

Activity was stepped even further at yesterday's meeting of representatives of several Slovene winemaking organizations at the Economic Chamber of Macedonia after a visit of several days to the country and the discussions held with their colleagues from several wineries in Macedonia. They pointed out among other things that because of the 100-percent duty on Macedonian wines imported into Slovenia, cooperation has in effect been halted. Consequently, improvement in the quality of Slovene wines intended for export with Macedonian wines has now become problematic.

Macedonian vintners are of course also harmed by this measure, because now the marketing of around 3,500 carloads of Macedonian wine in Slovenia, once regarded as a traditional Macedonian export, is in jeopardy. In any event, this is a large amount and is an even greater cause of concern because there is currently great uncertainty about export of around 10,000 carloads of Macedonian wine, primarily because of the United Nations Security Council sanctions against the SRY.

In 1992 Macedonia and Slovenia signed a bilateral economic cooperation agreement, and it was thought that this agreement would settle the question of placing Macedonian wine on the Slovene market. This is confirmed by the fact that Slovenia imports wines without duty for 55 pfennigs per liter. This means that the importer of Macedonian wine must pay a like amount for customs, and this makes the product costly.

#### **Demand**

The Slovene vintners suggest that the Macedonian government take steps to revoke the decision by the Slovene cabinet to impose a customs duty of 100 percent on Macedonian wine. It should be pointed out in this context that last year the Macedonian cabinet, the Economic Chamber of Macedonia, and other agencies took appropriate steps to have the decision changed, but up to the present at least nothing has been done in this direction. The situation benefits neither the Macedonian vintners, who have problems marketing their output, nor

the Slovene vintners, who use Macedonian wine primarily to improve the quality of the wine they make intended primarily for export to other countries.

Macedonian vintners, placed in a difficult situation by the well-known situation with regards to marketing their output in Macedonia as well as in other countries, primarily because of the closed traffic corridor through

Serbia, are seeking ways of finding new markets. However, even though there are such markets, shipping through the port of Solun is costly (20 pfennigs, in comparison to the worldwide price of wine of 55 pfennigs per liter), and so interest has declined. Tikves in Kavadarci exports a certain amount of wine to Slovenia through the port of Drac in Albania, but operations have now been suspended because of the high customs duties. As a result, Macedonian wine is in a difficult situation.